THE FINANCIAL POST

The Canadian Newspaper for Investors

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UNITED COMPANY PLANS PURCHASE RAILWAY HOTELS

Negotiations With G.T.R.—C.N.R. and Other Hostelries Mentioned

C.P.R. APPROACHED

Big System Not Favorable to Overtures—Important Developments in Hotel "Industry" May Be Looked For

By Resident Representative

MONTREAL.—A big hotel deal may be carried out in Canada in the near future. THE FINANCIAL POST learns that the United Hotels Company, which operates a large number of leading hotels throughout the United States and Canada, has been negotiating for the purchase of the hotels of the Grand Trunk and the Grand Trunk Pacific. It is understood that the subject of the sale of these properties is one of the subjects that will be taken up by the president, H. W. Kelley, with the English directors of the company on his present visit there.

This company has already acquired the Royal Connaught in Hamilton, and the King Edward Hotel in Toronto. The plan as reported to THE FINANCIAL POST is an even more ambitious one, and contemplates the acquisition of other important properties, including the hotels of the Canadian National Railway system, and several others, such as the Windsor at Montreal and the Clifton at Niagara Falls.

The question to be considered by the Grand Trunk Railway directors in the next few weeks will be one of policy rather than of finances. It is known that not one of the large hotels now operated by the Grand Trunk is paying. The best known, of course, is the Chateau Laurier at Ottawa. Some claim this enterprise was forced on the company by the Government as part of the Grand Trunk Pacific scheme in 1894 to provide an imposing hostelry in the capital city. The other side of the story is that the company itself decided that this would round off the Union station there, being in such close proximity to it. Those in touch with the situation declare that before the Chateau Laurier could be made to pay it would have to be enlarged by a couple of hundred rooms. At present it is understood that it pays only the ordinary costs of operation, and not even the interest charges.

The company also operates the Fort Garry in Winnipeg and the Macdonald in Edmonton. Neither has paid, but both were opened at the time of the war, when the development of the West was checked, and with it the prospective income of these two imposing structures.

The Ottawa hotel is run by the Grand Trunk and the two Western ones by the Grand Trunk Pacific Development company. The point of policy would be as to whether it is advisable for the Grand Trunk to continue to operate the hotels.

The two hotels of the Canadian Northern, now the Government system, that would come into the complete plan would be the Prince Arthur and Prince Edward, at Port Arthur and Brandon. Both are "gems" in their way among the smaller hotels, and neither one pays.

C.P.R. Also Considered

The United Hotels people have also had their eye on the C.P.R.'s big hotel system, but it is understood that no headway has as yet at least been made in that direction. President Dudley's overtures, it is reported, have met with no response. The C.P.R. hotel system is probably the greatest organization of the kind in the world, with high-class hostelries for commercial and tourist trade extending from coast to coast. It is estimated that the various properties are worth a total $30,000,000. These hotels were established largely for the purpose of providing accommodation for travellers on the Canadian Pacific Railway and to aid in developing business at a number of commercial centres, particularly in Western Canada. Whether they have paid the company in direct returns is very questionable — if they were ever established with that intent—and this has been particularly the case since the outbreak of the war. The Chateau Frontenac is mentioned as one of the system which has paid fairly well, but it is said that it is running behind since Quebec adopted prohibition. The Royal Alexandra at Winnipeg has not shown such good results since the opening of the Fort Garry and the Vancouver at the city of that name, while doing a good business, has very heavy overhead capital charges to carry.

Altogether it is evident that there are important developments pending in the hotel "industry" in Canada and definite announcements in relation to the various negotiations will be awaited with interest.

WHOLESALERS MAY MOVE FROM FRONT STREET

Grocers Are Considering Project to Get More "Elbow-room"

SHIPPING PROBLEMS

Poor Facilities For Receiving Freight Under Present Conditions, But Shipping Facilities Are Convenient

A number of wholesale grocers in Toronto, says Canadian Grocer, are considering moving from their warehouses on Front street and locating at the old Hillcrest race track, near Dupont street. Negotiations have been proceeding for the past two or three weeks between the wholesalers and Sutton & Co., real estate agents, and while nothing definite has been decided upon, the matter has certainly not been dropped. The railways have agreed to co-operate in the matter and the deal may go through, providing at least 12 wholesale grocers agree to the change in location. The more optimistic among them report that 6 or 7 have already signified their approval of the change.

One of the chief reasons advanced for the proposed change is the poor facilities of some of the wholesalers for taking goods in and shipping them out again. Many firms have to take goods into warehouse across the sidewalk on Front street. They would, too, have much more room farther north, the idea being that two-storey buildings would be erected, and that each wholesaler would have an acre of ground and good trackage facilities. There are about 32 acres of land in the race track property which could be divided.

Another reason suggested for the change was the uphill draw from the tracks to the wholesale houses. Wholesalers, however, point out that this is not a serious matter, as most of the freight come in from the Simcoe street yards.

Shipping Problems

One of the drawbacks in connection with the change is the distance from the depot for less than carload lots of incoming and outgoing freight. The railways, however, maintain that this could be overcome by an adequate motor truck service. Both the C.P.R. and C.N.R. could give track facilities at the Hillcrest track, and the Grand Trunk would, no doubt, be able to secure trackage rights.

While an agreement has been drawn up temporarily, nothing at all definite has been decided upon, and it is not likely anything will be done until at least 12 of the wholesale grocers agree to the change. Whether that number can be induced to go into the agreement is a question.

THE POST APPRECIATED IN NEWFOUNDLAND

One of the biggest business houses in Newfoundland writes as follows of THE FINANCIAL POST and its services:—

"It would not be amiss to say here that we enjoy reading THE FINANCIAL POST very much and must say that we have read a good many of the articles contained in your issues of last year with profit to ourselves. We follow very closely your remarks on the Exchange situation, which, as you are no doubt aware, affects us to a greater extent than the manufacturers in Canada, as we have to pay an extra ¼% rate on top of the rate prevailing in Canada, and we hope that the loan talked about in your issue of January 18th will soon be made."

RAILWAY WAR BOARD WILL LIVE IN PEACE TIME

Co-operation Among Private and Government Lines Will Continue

BIG SAVING TO ALL

Helpful in Arranging Wage Disputes and International Relations—Excellent War Record

By Resident Representative

MONTREAL.—The Railway War Board, which has secured excellent results in the past eighteen months, as a working combination of the railways of Canada, will continue under some form, THE FINANCIAL POST understands, even after the war is definitely at an end.

The Board was constituted in the first place by the roads themselves under very difficult circumstances, but it has so far justified itself that there is a strong feeling in railway circles that it should become a permanent organization in times of peace.

In the fall of 1917 the railways were threatened with very serious congestion, such as was dislocating traffic across the border. There was a heavy drain on the rolling stock of the roads through the unusual calls for equipment to accommodate munitions, troops, and foodstuffs and other goods that were being sent abroad. A shortage of coal and very stormy weather soon accentuated the troubles of the railways that were handicapped very seriously through the fact that little equipment had been added during the war, and the existing engines, cars, etc., had not been kept up to standard through a lack of men due to enlistment, to say nothing of finances. Moreover, a large number of box cars that had been sent into the United States through the ordinary traffic arrangements were being held there, owing to the confusion among the roads in that country, and this led to the "famine" in cars in Canada. Moreover, delays in urgent war shipments were occurring through this road or that holding cars that were routed along their own line instead of transferring to another road.

The Railway War Board had as its members among the ablest of the operating men of all the Canadian railways, the Government as well as the private-owned, with a young secretary, who has already proved himself a most capable executive, W. M. Neal, to carry the decisions into effect from the Board's offices. At once the equipment of all the roads in Canada was pooled; this road was lent cars and engines; goods were transferred from this road to that, regardless of the loss of revenue to the road that had the freight first. A systematic control was carried into effect of the volume of shipments all over all the railway systems, and embargoes laid upon this or that road, this section of the country or that, if at any time congestion was threatened. The fight began at once with the United States railway administration to get returns promptly of the cars that were being sent across, and in scores of directions the railway operations were coordinated. This partnership went so far as to share up improvements that were being made in the handling of freight by any one road; the new ideas were pooled, and improvements went into active operation all over each road. Cars were loaded more heavily, twice as much as formerly, and thus both cars, engines and men were saved. Where there was hopeless confusion and congestion along the whole Eastern seaboard of the United States, extending at times back to Chicago, the Canadian roads were free of this. The work of the Board was even extended to relieving shortages of coal for industrial uses and even municipal, through an improvement in arrangements for speeding up deliveries from the time the cars reached centres like Buffalo.

In one department alone the road has made a tremendous change in conditions: to date the special efforts for the return of cars from the States have resulted in 102,000—close to the total of 132,000 actually in operation in this country—being returned under special instructions from the central

Continued on page 9

To Eliminate the Combines

"WHY not name them?" asks the Toronto *Globe*, referring to THE FINANCIAL POST'S references to the "five per cent." of the Canadian manufacturers who by their methods in forming combinations for unhealthy restriction of output and extraction of undue profits are bringing public discredit upon the manufacturing interests as a whole—upon a body of men who by organizing ability, constructive genius and public-spiritedness have made themselves a dominant factor in the country's prosperity. The *Globe* says:

> Who are the five per cent. of the beneficiaries of the tariff whose rapacity must be abated either by moral suasion or by the elimination of their protection? What industries do they control? Will THE POST give us their names so that the people can take part in the process of elimination by refusing to buy their products? This rift in the protection lute is interesting. We may yet have in the inner councils of the Manufacturers' Association itself a 25 per cent. tariff wing denouncing the 42½ per cent. high-as-Haman's-gallows crowd as poor patriots and enemies of safe and sane protection.

To those who know anything of the situation referred to in THE FINANCIAL POST the answer is probably obvious. Surely the *Globe* is not so ignorant of these matters as it would appear. If the *Globe* would make a few inquiries among the business men or the farmers, or even the near-Bolshevik element to which it caters it would not have to question THE FINANCIAL POST as to the reason for the unpopularity of the manufacturers and the chief cause of the present wide-spread agitation against protection. But, then, what can be expected when the managing editor of what has been a great newspaper institution won popularity as a war correspondent because, as a British staff officer has been reported to have said, he never asked questions?

The few manufacturers—price and output manipulators—referred to by THE FINANCIAL POST, are operating on the ragged edge of the law. To specifically name them or the combinations to which they belong is a duty of the attorney-general. THE FINANCIAL POST has sufficient information to warrant the sounding of a warning to manufacturers as a whole that their interests are being seriously endangered by a greedy few in the hope that they will rouse themselves to the importance of eliminating this insidious faction. Much more effective results and less harmful to industry generally can be accomplished by internal rather than external treatment.

No argument is here advanced against organization in industry and business. Organization is the keynote of manufacturing success; it paves the way of prosperity. But there is a distinction between organization for the merging of buying and selling interests, for eliminating unnecessary and expensive styles and patterns, for comparison of costs, and in other ways co-ordinating effort for economic saving as compared with combinations which merely endeavor by controlling the market and the output to increase unduly the margin of profit. The one tends to increase output by reducing the cost of production, thus encouraging consumption, both at home and abroad; this is industrial progress. The other tends to decrease productions and curtail consumption; this is industrial retrogression. The one means increased manufacturing activity and a higher value for labor; the result is a growing and prosperous community. The other works in the opposite direction.

To draw the line between the organizations which work for industrial advancement and combinations which mean industrial reaction is not an easy matter. THE FINANCIAL POST believes that it can best be done by the manufacturers themselves who know all the conditions. Our idea is to make them see the importance of doing so. It is to their own interests and in the interests of industry in general that they should.

As previously stated, it is the dissatisfaction with the conditions referred to which is to-day largely responsible for the attitude of the low tariff faction. Those who are close to the farmers realize this. There are few among them who talk seriously of free trade. They know that free trade would not be good for Canada as a whole.

Let it be here emphasized that so far as THE FINANCIAL POST has been able to learn there are no combinations such as referred to within the Canadian Manufacturers' Association. In fact, it is an established principle with that organization that prices are not to be considered or discussed at any meeting of the main body or any of the branches or any of the groups. We believe, therefore, that the Manufacturers' Association could be made an effective force in combating the evil to which we have referred. If the members of the association would realize the menace to their interests we believe that quick and drastic steps would be taken to "black-ball" those whose outside affiliations leave them open to the charge of being "profiteers."

SERVICE-AT-COST IDEA FAVORED AT KINGSTON

Supported by Board of Trade of "Limestone" City—London Considering Plan, and Other Cities Interested

The service-at-cost idea as the solution of the difficulties of the electric railway companies is gaining ground. At Kingston this week the Board of Trade placed itself unanimously on record in support of applying the principles in that city. At London satisfactory headway is being made, and it is expected that the plan which has been tentatively outlined for that city will be supported by the Chamber of Commerce. Progress is also reported from Ottawa, Hamilton and other cities. In Toronto there is naturally a growing interest in the service-at-cost idea in view of the local street railway problem. The efforts of the association formed for the protection of the interests of the holders of public utility stocks are being closely followed by the holders of such stocks throughout the country.

The "service-at-cost" plan is by no means new or experimental; it has been in successful operation in Cleveland for a number of years, and similar plans are in operation in Chicago, Philadelphia, Kansas City, Des Moines, Cincinnati, Dallas, Toledo, Youngstown and Montreal, while Buffalo and Winnipeg have recently decided that this plan is the only solution of their problem. Legislation enacted in Massachusetts last year enables any road in the state to adopt service-at-cost after complying wtih certain conditions.

Service-at-cost, its advocates submit, is not antagonistic to municipal ownership, nor can it in any way be construed as a stumbling block in the way of municipalization. One of the chief aims of municipal ownership is the desire and intent to provide a service at its lowest possible cost and at the highest point of efficiency. This purpose is exactly what is attained through service-at-cost. It would be unreasonable to suppose that the advocates of municipalization would be so short-sighted as to attempt to provide service at less than cost, for no plan can be put into successful operation that is based on such an unbusiness-like intention.

RIGHTS OF INVESTORS

A Washington despatch to the New York "Tribune" says that the British Government has made representations to the United States Department of State, claiming the rights of British investors to be compensated for $150,000,000 of their capital invested in the liquor business in the United States. The British Government's contention is said to be that, as the liquor business is being destroyed by action of the United States Congress, there can be no question of the responsibility of Congress for the loss of British capital. It is also reported that Italians interested in the California vineries may make similar representations.

ABSENCE OF LIQUIDATION IS A FEATURE

Investment Situation, While Bristling With Uncertainties, is Undisturbed

BONDS GO HIGHER

Better Tone to the New York Market is Taken to Mean a Discounting of Coming Business Improvement

It must all along be regarded as one of the favorable features of investment situation, so far at least as Canada is concerned, that there has been so little liquidation of securities. The stock markets are quiet, and while there is an absence of buying, because of the uncertainty of the outlook, there is also a marked absence of selling, which indicates that the public has pretty well discounted possible industrial set-backs occasioned by the necessities of readjustment in business and industry.

Bonds, in particular Government and municipal issues, continue to attract the attention of investors to a far greater extent than any other type of security, and buying of Victory bonds and such provincial and municipal issues as come on the market, is being vigorously prosecuted. Prices are still mounting, and such bonds, for instance, as the Dominion Guaranteed Grand Trunk Pacifics, which were sold recently at 5.75 per cent., are now bringing only 5.25 per cent. That investors are prepared to pay such prices is indicative alike of the confidence of the public in these securities and the scarcity of offerings.

In contrast with the general stock markets, there is still brisk buying of mining stocks. The publication of such a report as that of Hollinger Consolidated Gold Mines, which shows marked progress in a year of great operating difficulty, may be regarded as demonstrating the potentialities of the mining industry and attracting attention to its possibilities. While

Continued on page 16

THE POST THIS WEEK CONTAINS

Page
Dividend Action and Resignation of Carruthers 2
Labor and Peace Conference Are Affecting Steel 2
Regulation of Produce Trade is Nearing an End 3
Seventy-Five Per Cent. Basis Now Assured Mills 3
Crerar Foresees Prosperity for Livestock Men 16
Expenses Cut Into Profit of London Rails 5
Asbestos Corporation at $1,253,813 Gains 123 Per Cent. 5
Hollinger Mines Have Built Up Strong Reserve 6
United Company Plans to Purchase Railway Hotels 7
Taking Steps to Provide Against Smooth Crooks 9
British Banks Are Increasing Their Capital 9
National Trust Company Shows New High Record 19
The Tariff—R. MacKenzie Replies for Farmers to Manufacturers. 10
Business in Bond Market is Favorable 12
Northern Life Passes Through a Trying Year 14
New Municipal Act Before B. C. Legislature 13
Saskatoon Has Raised Its Rate on Improvements 13
Building During January Proved Disappointing 14
Provincial Paper Mills Profits Less 15
Employers Try to Maintain Wage Standards 17
London Life Has $60,000,000 on its Books 18
Great-West Life Wrote Thirty Millions 18
Government Paid Damage of Explosion 19
Declining Days of Canada's Food Board Regime 20

BANK OF MONTREAL
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A GENERAL BANKING BUSINESS TRANSACTED
SAVINGS DEPARTMENT
AT ALL BRANCHES
EST'D 1873

LABOR AND PEACE CONFERENCE ARE AFFECTING STEEL

Elements of Uncertainty Are at Present Dominating Market

BUYING IS "SPOT"

Few Orders Are Being Placed For Supplies to Go Into Stock — Discounting of Price Changes Carried Too Far

Buying that is taking place now in the steel trade is for immediate delivery. Very few firms are placing anything in stock. With the capacity for production that has been attained it would seem that almost immediate delivery would be possible under such conditions, but it does not work out that way at all. As a matter of fact the trade states now that a premium price is being paid for quick delivery, and the mills in United States that are able to give this can secure instead of a base price of three cents, in many cases 3.75 and as high as 4.

Many of the warehouses in Canada where plate is stored are in a position to give reductions in the Canadian price as soon as they are able to put the lower priced material in stock. Their stock at present is at a low ebb in many lines. They have known for some time past that the end of the war would see prices slump, and accordingly they have purchased very close to their requirements.

Effects of Amalgamation

Some of the men engaged in the selling of U. S. steel in Canada are none too pleased with the recent amalgamation, the Consolidated Steel Corporation. They had built up a very good connection with some of the independent mills, and a large volume of trade was passing. Under the new officials and new policies many of these old understandings are pushed aside. Some idea of the size of this business may be gathered from stating that during the year 1917 one Canadian firm did a business with one mill of over two million dollars. This mill is now in the newest corporation, and the Canadian customer is not at all pleased over the changed conditions.

Conditions Unsettled

Some of those who are very close to the market claim that the present situation at the peace conference is a factor that keeps buyers from coming into the market. It does not require a very great amount of reasoning to see that there is a lot of steel needed in every country that has been at war. The disturbing reports that are coming out regarding the feeling in Germany, the planning of a new conscript army there, the attitude of some of the Allies, and the new armistice arrangements all tend to keep an element of uncertainty and doubt in the mind of the people that hinders planning and buying for anything except immediate wants.

The suggestion is being made more in the open now than ever before that wages on their present level are doing much to keep business from moving. As has been stated before, the Steel Corporation, when they made their reduction which averaged $4 per ton, stated that it was their concession, regardless of labor costs. Now the claim is that any other reduction will come only when labor costs are cut. Naturally those who hold these views, and they are many, speak rather gingerly on the subject, fearing that anything they may say will cause unrest or open trouble in the dealings between the mills and the men.

The American Situation

A Montreal steel man has received a letter from an official of one of the leading steel organizations in United States. There is considerable common sense in what he says, and Canadians who have reason to follow the situation should note:

An interesting fact has been brought to our attention. It relates to the manufacturing costs of steel products. The statement is to the effect that the United States Steel Corporation have paid in salaries and wages during 1918 considerably more than four hundred million dollars.

With their estimated production of finished steel, the cost of wages and salaries alone will, therefore, approximate $25 per ton, from which it will be seen that before there can be any material reduction in the cost of steel products it must be brought about through a reduction in the cost of steel wages and transportation, for, as you know, these costs have advanced from 50 to 75 per cent. during the past several years, and wages and transportation costs issue very largely into the base cost of steel products. This advance in wages and transportation will apply to ore, coal, coke, limestone and all other supplies.

As to the possibilities of wage reduction, one well known New York man expresses the opinion that wages will not be materially reduced until 1920. He went on to say that undoubtedly Europe will be unable to harvest anything like a full crop in 1919, and that it will be 1920 before the food supply of the world is sufficient to reduce the cost of living. He then urged that the business men stop talking about price reductions, saying that prices will be shortly reduced, for in doing so they destroy their own market and kill business enthusiasm by keeping buyers out of the market.

In addition to the above, there is the constructive side, for in Europe there is an almost inconceivable shortage of steel and iron, representing an accumulated demand of more than four years' standing. This applies with equal force to South America, Australia, New Zealand, Japan, China and India, for lack of transportation facilities has made it impossible to ship supplies to these markets.

We know that in the United States a period of six months' depression in the steel business has inevitably been followed by a prolonged period of unusual demand, and we know there has been a check on the peace consumption in this country for approximately two years.

We have a strong conviction that this is a time when every business man should make a correct analysis of present world conditions and lend his assistance in a constructive solving of the present problems.

ENGLAND LOOKS TO CANADA FOR ORE

"Statist" Refers to Possibilities of Drawing on Scotia's Wabana Deposits

Notwithstanding the fact that Nova Scotia Steel and Coal have shut down their steel making plant for repairs, the stock shows gains from the downward tendency that came over it when the announcement was first made. It is hard to tell what caused the drop. There are large blocks of stock held at United States points, and it may have been that certain blocks were liquidated in a hurry, and the price dropped by reason of the too large offerings for quick sale. Common is around 50, while preferred on the local exchange showed a small sale at 106, the highest point reached for some time.

It has been noted in these columns before that the large iron deposits at Wabana are certain to furnish more ore than the Scotia company could use in hundreds of years. Reports that have been made recently indicate that these deposits are being counted on to be drawn from for future use probably to help out the blast furnaces of Scotland. They import a lot of ore there, and dig considerable as well, but the home ore is low in iron.

A recent article in the "Statist," speaking of this point says: "However this is not a very serious handicap. There is known to be a very large supply of iron ore in Newfoundland, yielding 50 per cent. of iron. Glasgow should be able to get this ore at as low a price as Middlesborough pays for Spanish ore."

UNITED GRAIN CO. EXPENSES HIGHER

The Annual Report Indicates Higher Operating Costs of Farmers' Concern

Analysis of the statement of the United Grain Growers Ltd.—representing the amalgamation of the Grain Growers Grain Company, and the Alberta Farmers' Co-Operative Elevator Company—indicates that higher operating costs had their influence in reducing the net results. Income from grain and merchandising account, representing elevation, storage, screenings, twine, machinery, commission, dividend, etc., amounted to $3,047,395, as compared with a total of $2,812,706 for the two companies in 1917. However, while there was this increase of about $235,000 in income, charges for operating, rent, depreciation, etc., increased from $1,998,914 to $2,585,691, or over $586,000. The result was that despite the increase in income, profits declined from $844,401 to $441,761. Following are comparative figures for the two years showing manner of distribution:

Distribution of Profits

	1918	1917
Profits ....$	441,761	$ 844,401
Brt. ford.	411,640	163,021
Total ....$	853,401	$1,007,423
Div. and bonus..$	226,805	$ 206,355
Taxes	14,723	153,127
Reserve	313,391	238,584
$	554,919	$ 598,067
Surplus ....$	298,482	$ 409,355
Reserve	1,500,000	1,250,000
Surplus ....$	1,798,482	$1,659,355

The company has now a reserve fund of $1,500,000, a contingency reserve of $100,000 and a surplus of $298,482. The paid-up stock liability is $2,179, 762. Assets total $8,359,176, of which $5,112,137 represents current assets, $2,247,038 capital assets. At the end of the 1917 year current assets were $3,212,895 and capital assets $967,629. Current liabilities have increased from $1,821,188 to $3,079,167, capital liabilities from $874,679 to $1,221,762, and liabilities to shareholders from $3,484,656 to $4,058,245. The big increase in current assets and liabilities is largely due to increased holdings of grain stocks amounting to $2,472,337, and bank and other loans in connection therewith, $1,988,029.

DIVIDEND ACTION AND RESIGNATION OF CARRUTHERS

President of Canada Steamships Disagrees With Policy of Board

NORCROSS MOVES UP

Vice-President Secured Support of British Shareholders and Turned the Balance of Power

The chief centre of interest this week in the stock exchange was in the radical changes in connection with Canada Steamship Lines, Limited. To the shareholders probably the most significant lay in the declaration, "at long last," of a dividend on the common. This turned out to be 4 per cent., in place of the 5 per cent., or even 6 per cent., that had been expected by many of the holders of stock, and the general public. This is payable March 15 to shareholders of record March 1, and is the first payment on the common stock of $12,000,000 that has been made since the organization of the company six years ago, first as Canada Transportation Lines, and later Canada Steamship Lines as to-day.

That this dividend was not paid without a breaking up of the original leaders in the amalgamation was seen when it was announced that at the meeting of directors on Tuesday that the president from the first, James Carruthers, had resigned, and there followed him J. C. Newman, both of whom were opposed to any dividend action for some time to come. The story current is that the English shareholders finally decided to support the dividend policy of the vice-president and managing director, J. W. Norcross, in preference to that of the president, and that the "balance of power" thereafter was transferred to Mr. Norcross, with the inevitable result.

That there was a rift between the two was evident, however, months ago, when Mr. Carruthers withdrew his support of Mr. Norcross in connection with Halifax Shipyards over a question of policy, and THE FINANCIAL POST as far back as August last, predicted that this would finally result in the resignation of Mr. Carruthers. A difference of opinion arose likewise in connection with the purchase of the steamer "Collingwood," for $600,000 and $150,000. In December, a third step was taken when Mr. Carruthers parted with 5,000 shares of his preferred stock to a Montreal syndicate of brokers, leaving himself with only 5,000.

Carruthers Wants Reserve

The view of the late president as expressed to THE FINANCIAL POST was that there should be a large reserve behind the preferred dividends, of at least three years' payments, which would mean over $2,500,000, and that the dividend on common should not be begun until the future was quite clear. For a long time there has been a clamor on the part of the shareholders for some return, and when the matter came to a vote it was seen that the president and Mr. Newman only were opposed, and in the final meeting of directors the declaration of four per cent. annually was passed in a unanimous resolution. This dividend will call for $500,000 each year, and with the 7 per cent. on the preferred stock of $12,500,000, the dividend payments will claim a total of $1,375,000.

From the point of view of the profits of 1917—and the year 1918, it is believed, will somewhat exceed that of 1917—there will be ample to meet the 4 per cent.

On the other side, it is pointed out that very high earnings have been a matter of the last three years only, and due in large part to the extraordinary freight rates that have prevailed. In the year 1914, after paying six months' dividend on the preferred the company ended the year with a deficit of $552,132; the following year there was a surplus of $591,316, but this was $284,000 less than was required for the preferred. The year 1917, however, showed the company meeting the preferred dividend for the year, and $1,604,166 as arrears to Dec. 31, 1916, or nearly 13 per cent., and in addition adding to the surplus over $500,000, or sufficient and a little more, than was required for the common dividend. Those who snpport the 4 per cent. dividend declare that the company is in an assured position to maintain this, and point not only to quite as good a year of 1918 to add to the surplus, but to the probability of nearly as good a one for 1919, for THE FINANCIAL POST was informed officially this week that all the boats overseas are chartered under contract that was not subject to any reduction of rates for six months after the signing of peace—not the armistice—and that this applied equally to the English and French contracts—and that if peace were signed about April, the boats would be back in time for the last couple of months of upper lakes trade with high end-of-the-season freight rates, and this would complete an assured very profitable season for the company. In answer to another inquiry, it was stated, that in a normal year the passenger business would not amount to more than 25 per cent. of the whole income of the company, so that in these times the freight earnings would run far more than 75 per cent.

Effect on Market

The action of the directors had a direct influence on the market: not of great joy, but of a mild disappointment. The stock up to near the close had sold between 45 and 44½. The last bid—while the directors were in session—was 43. When the market opened in the afternoon it was at 42, but soon it straightened to 42½, and on Wednesday firmed again to 43, compared with a high of 50¾ in Montreal and 51 in Toronto on the later movement. This evidently was on an anticipation of a 5 per cent. dividend.

The liabilities of the company include $12,500,000 in preferred, and $12,000,000 in common stock, $6,081,340 for debenture stock; $1,315,026 first mortgage bonds, and $500,000 loan. The assets include vessels valued at $20,730,864; real estate, wharves, etc., $5,511,682; and other assets, or a total of "property" of $24,405,355.

Norcross Explains

In referring to the action of the directors Mr. Norcross declared that the dividend was justified by the earnings and that the company was in a strong financial position, and the dividend that had been declared could be regarded as the outcome of a conservative policy.

Several changes were announced in the officers and executive:

C. A. Barnard, K.C., and M. J. Haney, both directors and members of the executive committee, were elected vice-presidents of the company. W. E. Burke, formerly a director and assistant manager, was appointed director in charge of transportation and member of the executive committee. H. W. Cowan, formerly director and operating manager, was appointed director in charge of operations and a member of the executive committee. F. S. Isard, who is already a director and member of the executive committee, was appointed director of finances and comptroller.

SHAWINIGAN REPORT BETTER THAN LAST

Increased Earnings Will Be Shown Next Week—Carbide and Electro Plants Busy

By Resident Representative

MONTREAL.—New high figures will be shown in the annual report of the Shawinigan Water and Power Company at the annual meeting next Tuesday. THE FINANCIAL POST is informed that the profits will be "a little better" than in the preceding year. The gross earnings for 1917 were $2.902,210, and the net revenue $1,350,864, of which $1,050,000 were for dividends, at seven per cent. on $15,000,000.

An inquiry as to the prospects before the subsidiary concerns brought the reply that the Carbide Company would continue to do well this year. The Electro Products Company, and the plant built especially to operate on the United States Government war orders, are trying to arrange a settlement on account of this work. The older plant will be kept operating and the prospects before it are said to be excellent.

STEEL PRODUCTION

U.S. Steel Working 85 Per Cent.—Independent 60 Per Cent.

PITTSBURGH.—Steel mill operations in the Pittsburgh district are being maintained at a higher percentage by United States Steel Corporation plants than by independent companies. There is a disposition on part of the Steel Corporation to keep its mills in operation and stock up material. The Steel Corporation is now operating its plants here at about 85 per cent. capacity while independent plants are running about 60 per cent.

In the finished products sheets are in demand to a marked degree. The principal buyers are automobile manufacturers, some metal furniture makers are active buyers of sheets, but there is not much demand at present for sheets used in construction work. The Steel Corporation has been awarded a contract by the French Government for electrical sheets. The steel trade is looking more largely to the former than to the building trade for the first revival in demand for material. It is assumed that the demand for agricultural implements this season will be much larger than usual.

REGULATION OF PRODUCE TRADE IS NEARING END

Most of Restrictions to be Withdrawn in a Few Days

THE EXPORT OUTLOOK

End of War Brings Problems Which Have a Serious Bearing on the Situation—Great Caution Necessary

By J. L. RUTLEDGE
Editor "Canadian Grocer."

R. M. Ballantyne, in speaking to the Canadian Produce Association in Conference in Toronto on Wednesday, announced that most of the Food Board regulations governing the produce trade would be withdrawn within the course of the next few days.

The orders specifically referred to are numbers 26 and 45. The first deals with the limitations of holdings, regulation that definitely limited the stocks of butter, eggs and cheese that the produce dealer could have on hand during the season of scant production only sufficient to supply his own Canadian trade, and that following the season of scant production he should only have on hand 15 days' supply of butter and eggs and 30 days' supply of cheese. This regulation, which was inaugurated to prevent speculation in these products was a very considerable burden upon the trade, as it did not take into account the necessarily speculative element in the business that made it impossible to gauge it by such a rule of thumb as this.

Order No. 45, which is also to be withdrawn, limited the profit of the produce dealer to 10 per cent. over his cost price. The dealer was also allowed 3 cents per dozen for handling expenses. As the handling charges and incidental loss in moving products especially eggs in and out of storage, has been definitely found to be approximately 5 cents per dozen, the regulation made the profit allowed an almost invisible fraction. The announcement, therefore, that these regulations were to be withdrawn and that the trade would once again be on a pre-war trading basis was received with enthusiasm.

The Association is petitioning, however, to have Order 24, which prohibited the buying or selling of bad eggs—that is eggs that had not been candled and all bad eggs removed prior to sale—become a part of the statutes instead of a Food Board regulation, on the ground that it was a regulation that would save millions of eggs annually, and as a result materially reduce the cost to the consumer.

Declaration Order

Dr. McFall, the Cost of Living Commissioner, in addresing the Association, also announced that the Canada Food Board regulation requiring the declaration of stocks in dealers' hands each month would be allowed to lapse in the near future, but that the reports required of the cold storage companies would continue. Dr. McFall also stated that he had requested the Department to enact legislation requiring the return of these reports not later than the third business day of the month, and imposing a penalty for failure to comply with this requirement. He also accepted with readiness the suggestion of the Association that the reports should be made more comprehensive so that the report would not show only items such as poultry, but all the lines comprised under this general head. In this way it was felt the report would be of most marked value, as it would enable those interested to know just what stocks were in existence, and where they were located.

F. M. Moffat, Managing Director of Gunn's Limited, Toronto, speaking of the export situation for the coming season, dealt very closely with the changed conditions resulting from the discontinuance of hostilities. The lessening of the imperative nature of the demand, was, he thought, a large factor in the situation. It would bring to the fore the question of quality that in war years had more or less given way to the question of quantity. There was the materially increased production in the British Isles to be considered, and the fact that, whereas, in some months of the war, half the stock shipped was lost, now it was all arriving. There was also another factor of great importance in forecasting the probable export situation, that was the enormous supplies of edible oils that had been piling up in Oriental countries during war years that would now come on the market at very modest prices.

These were factors that would have a very material effect on the export situation. While Mr. Moffat stated that he did not wish to appear pessimistic regarding export conditions in the coming year, he felt that the trade was face to face with serious conditions, that added to the already speculative nature of the business, and called, therefore, for an unusual care, not only in the actual operations of the business, but also in insuring a product that could compete in favorable terms with other countries that would unquestionably be competing on the same market.

CANADIAN CAR SENT CARS TO S. AFRICA

Revival of New Territory For Company—Good Progress on Government Order

By Resident Representative

MONTREAL—The Canadian Car & Foundry Company will make good progress on the Government order for cars recently received as since the war ended, all troubles and delay in securing supplies is at an end.

A shipment of about 100 cars has been made for the Rhodesian Railway in South Africa, the contract being obtained through the London office of the company about one year ago. This recalls the time when the Rhodes-Curry Co. about 15 years ago, made a shipment to South Africa.

It is understood that the Priority Board in the United States held up the company so long in securing the right to import the steel that a big order for mine sweepers for the French Government had to be given up. This would have been carried through regardless of the signing of peace.

DELAYED ACTION ON WAYAGAMACK

End of War Prevented a Probable Declaration For a Time

By Resident Representative

MONTREAL.—At the annual meeting of the Wayagamack Pulp & Paper Co. on Tuesday at Three Rivers, J. N. Greenshields, K.C., who was formerly president, and held a place on the board as a director this past year, retired. C. R. Whitehead was re-elected president, and James W. Pyke, vice-president. No action was taken on a dividend payment, nor is any expected for some months. Recently the stock rose to 55 on expectation of an initial 6 per cent. rate, but later the feeling was against this, after peace conditions were seen to be unsettled. Of late the stock fell back again to 50-51, the former price being its resting place for many months preceding the recent movement.

After referring to the figures presented in the annual report a couple of weeks ago, Greenshields & Co. in their "Review" say: "The change for the better in the company's financial position has been complete. Shortage of working capital a few years ago was the main threat to the company's future, suggesting that new financing might be necessary. Current liabilities in June, 1914, exceeded current assets by $92,100, the former amounting to $1,014,519 against $922,419 for the latter. Current assets at $1,979,274 in November, 1918, compared with current liabilities of $748,624, leaving a working capital surplus of $1,230,650. This radical improvement has been accomplished entirely out of earnings, outstanding bonds, in fact, having been reduced $105,000 by the operation of the sinking fund.

RAILROAD EARNINGS

Continued Increase in Gross During February

The total earnings of the three railroads for the first week in February amounted to $4,921.206 against $3,580,187 for the corresponding period in 1918, an increase of $1.341.019 or 38.3 per cent. Canadian Pacific earnings for the week were $2,579.000, an increase of 23.1 per cent., while the Grand Trunk with a total of $905.449 showed a gain of 88.4 per cent. The Canadian National Railways reported earnings amounting to $1.436.757, a gain of 43.3 per cent. Following are comparative figures of the three roads:

Week Ending Feb. 7.

	1919	1918	Change	%
C.P.R.	$2,579,000	$2,096,000+	$ 483,000	23.1
C.N.R.	1,436,757	1,003,473+	433,284	43.3
G.T.R.	905,449	480,714+	424,735	88.4
	$4,921,206	$3,580,187+	$1,341,019	38.3

The Grand Trunk Pacific Railway reports gross earnings for the third week in January amounting to £193,341 against £121,262 for the corresponding period in 1917, a gain of £72,079.

The Niagara Fire Insurance Company has established a Canadian department under the management of W. E. Findlay, with offices at 22 St. John Street, Montreal. Mr. Findlay will be in control of the entire Canadian business with the exception of British Columbia, which will still continue to report to Edwin Parish, manager of the San Francisco department.

SEVENTY-FIVE PER CENT. BASIS NOW ASSURED MILLS

Decision of Wheat Export Company Relieves Flour Situation

BUSINESS OUTLOOK

Prospects For Continuation of Fair Profit—Price Restrictions on Mill Feeds Are Removed

The decision reached by the Wheat Export Company to purchase from the Canadian mills certain supplies of flour for the next few months, has relieved the very serious situation that was developing in the milling industry. This decision, while it will not provide for a capacity output, nor yet assure the same margin of profit as was in force before the embargo was imposed, will yet assure a substantial item of business for the mills, that will enable them to operate at a modest profit, instead of having to face a deficit on their operations.

Mr. Stuart, of the Wheat Export Company, meeting with representatives of the millers and the Canada Food Board in Ottawa on Wednesday announced the willingness of the Wheat Export Company to make purchases of flour, of approximately 70,000 long tons monthly for the next few months. These shipments to be packed in 140-pound bags and delivered at the seaboard. The seaboard delivery price to be $10.60. This price is somewhat below former purchase prices, but even at that the mills with this better business appearing are not in a mood to be critical on that point. There have been no export orders since December 17, and there is a holdover of 72,100 tons of flour at the seaboard awaiting shipment at the present time. It is this fact that caused the recent discontinuance of purchases, and it is expected that these stocks will be moved at once, and that orders will be available immediately. There is no definite assurance of there being any permanence to these conditions. Mr. Stuart would not give a definite assurance that orders would continue, but contented himself with the statement that they would be available "for some months."

Fair Amount of Business

With these orders available the mills are assured of a fair amount of business for some time at least however. The Canadian mill capacity is 150,000 tons per month, so that the export orders amount to less than half capacity output, the monthly domestic consumption, however, of 40,000 tons, will assure approximately a 75 per cent. output, which is generally conceded as very satisfactory to the mills.

The purchases will be made in standard flour so that the Wheat Export Company can market it anywhere that the Allied Governments may find a suitable market. The only grades purchased will be Ontario Spring flour and Manitoba flour.

Another thing accomplished at this conference was the removal of the restrictions on the price of mill feeds. This restriction has been a very considerable hardship to the mills in the past, as they were compelled to sell these products at a loss. Should there be any increase in price of mill feeds, now that the higher American market is available, it would be an influential factor in reducing the price of flour. The domestic demand is not brisk, however, probably because of the low cost of other feed materials, and it is probable that the removal of the Canadian restrictions will result in an evening of the prices between Canada and the United States.

In regard to the probable embargo on grain shipments to the lake head elevators, the reopening export market is not expected to have much affect. There are substantial holdings of grain at lake ports, sufficient, it is believed to supply the demand of the mills for some time to come, and it is not likely that they will rail any supplies East until they are compelled to do so by depleted stocks in elevators at this end. The changed situation is therefore not expected to be a factor in relieving this situation.

CAR SHOPS FOR Q. C. R.

SHERBROOKE.—The Quebec Central Railway has decided to at once commence the construction of permanent car shops and other improvements at Newington. The Mackinnon Steel Company has secured the steel work contract, and the Sherbrooke Construction Company the masonry and other works required in the buildings. The erection of these car shops will give employment to a great many who have been thrown out of work as a consequence of the shutting down of the munitions factories in this district, both mechanics and laborers.

DOMINION STEEL

Arrangements Being Made to Re-employ Veterans

Dominion Steel Corporation has given notice that it will make plans to re-employ veterans who filled positions with that concern at the time of their enlistment. The announcement says:

> The President of the Dominion Steel Corporation desires to announce that it is the policy of the Corporation to provide employment both in the Coal Company and in the Steel Company for all those soldiers returning from the war who at the time of their enlistment filled permanent positions. It will be expected that in order to have this arranger satisfactorily that application for re-employment should be made within three months of their discharge. Every endeavor will be made to furnish employment for the men returning who may have been incapacitated for service in the employment for which they were previously engaged and the desire of the Company is that every care should be taken as to the welfare of the men who have done their duty in the war.

CLEAN-UP IN GLASS, THEN STOCK BOOMED

Dominion Glass Common Held Stage Early in Week—Good Prospects For 1919

By Resident Representative

MONTREAL.—The rise of Dominion Glass common from 35 to 37 in one day this week on the turnover of 1,269 shares, and the subsequent further rise on extensive buying served to bring into the limelight a stock that has proved a conundrum for some time. Many months ago it was placed on a 4 per cent. basis but failed to respond and has had a listless record around 35-36. Recently an application to list it on the exchange was made, and it is probable that it will appear in a few days. There is $4,250,000 of common and $2,900,000 of preferred issued, a total of $7,150,000.

The last two years of the company have been exceptionally profitable ones, and the president, G. A. Grier, told THE FINANCIAL POST this week that the prospects for the company were excellent for the present year, although he did not expect the same large profits to be maintained when there was a tendency all over for prices to decline.

The rise in the stock was preceded by the purchase of over 600 shares that were "in the way," offered for 35.

LAURENTIDE POWER PRELIMINARY REPORT

Earnings of 3¼% on the Company's Stock Will Be Shown

The preliminary figures for the Laurentide Power Co. for the year ending December 31, 1918, show a surplus of profits of about 3¼ per cent. on the stock of the company, but the earnings for the last quarter of the year were much larger than for the previous portion, and lead to the expectation of at least 4 per cent. and probably 4½ per cent. for the year 1919. It is on this prospect, or better, that shareholders are basing their hopes of a dividend declaration of 3 per cent. or more, probably 4 per cent., the next few months. On this belief the stock rose early this week to a new high of 62.

The gross earnings of the company were $880,289 as compared with $653,858 one year ago, an increase of $226,000. The operating expenses, however, increased from $84,063 to $156,505, leaving the net at $723,784, or $163,989 more than one year ago. The surplus for the year was $338,888; as compared with $204,795, an increase of $134,093. The figures compare as follows:

	1918	Increase
Gross earn.	$880,289	$226,434
Oper. exp.	156,505	72,442
Net earn.	$723,784	$143,989
Fixed charges	375,000	......
Rebate (Nov.)	9,896	9,896
Net increase	$348,784	$143,989
Surplus	$338,888	$134,093

A statement issued gives the horsepower now being delivered as 90,000, to be shortly increased to 100,000. By the middle of 1920 Shawinigan Water and Power Co. must take another 10,000, and the parent company (the Laurentide Co.) 15,000 more, a total of $125,000 horsepower. There has been a theory for some that as soon as Laurentide Power Co. was developing 100,000 horsepower, a 4 per cent. dividend could be provided. The annual meeting will be held next week.

UNITED CIGAR STORES

The annual report of the United Cigar Stores Company to be issued in a few days will show net earnings before taxes of $5,010,000. An allowance of $1,000,000 is made for Federal taxes, while preferred dividends amounted to approximately $316,000. This leaves $3,694,000 for $27,162,000 of common stock, or $13.66 a share, compared with $9.41 in 1917. After paying increased dividends on the common stock the company actually added in excess of $1,300,000 to its surplus, as compared with about $500,000 in 1917. The total profit and loss surplus at the end of 1918 was slightly over $5,000,000.

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A good banking connection is an essential to the success of the manufacturer or merchant.

THE CANADIAN BANK OF COMMERCE

Capital Paid Up, $15,000,000. Reserve Fund, $15,000,000

THE ROYAL BANK OF CANADA

INCORPORATED 1869

Capital Paid Up	$ 14,000,000
Reserve and Undivided Profits	15,500,000
Total Assets	427,000,000

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Sir Herbert S. Holt, President.
E. L. Pease, Vice-President and Managing Director.
C. E. Neill, General Manager.

530 Branches in Canada, Newfoundland, West Indies, Central and South America, etc., distributed as follows:

Canada	465
Newfoundland	6
West Indies	47
Central and South America	9
Spain (Barcelona)	1
U.S.A. (New York)	1
Great Britain (London)	1
	530

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Head Office: TORONTO, CANADA

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W. G. GOODERHAM, *President* J. HENDERSON, *Vice President*
William Stone, John Macdonald, Lt.-Col. A. E. Gooderham, J. L. Englehart, Brig.-Gen. F. S. Meighen, Wm. I. Gear, Paul J. Myler, A. H. Campbell
THOS. F. HOW, *General Manager* JOHN R. LAMB, *Asst. Gen. Manager*
D. C. GRANT, *Chief Inspector*

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Cyrus A. Birge, *President* S. C. Macdonald, *Manager*

AN INCREASE IN PROFITS OF WOODS MANUFACTURING

Higher Common Dividends Did Not Prevent Big Surplus

BUSINESS EXPANSION

Enlarged Activities Indicated by Large Stock and Materials on Hand and Bills Receivable

The high earnings' record established by the Woods Manufacturing Company in 1918 was not only maintained during 1918, but profits showed a further increase of such proportions as to be cause for satisfaction on the part of the shareholders. The net figures were $842.200, as compared with $770,816 for 1917, and $516.190 in 1916. After the payment of bond interest and making appropriations for patriotic contributions, $200.000 was deducted for the payment of war taxes—being an increase over $110,730 in 1917, and therefore an indication of what industry is doing in aiding national finances—leaving $602,375 available for distribution. Preferred dividends at $108.255 showed little change as compared with the previous year, but the common distribution amounted to $206.221 as compared with $120.246. That the increased payments to shareholders were fully justified by the company's earnings, however, is indicated by the fact that there was still a surplus of $287.899, which increased the total to $1.291.439. Following are comparative figures for the past three years:

	1918	1917
Net profit	$ 842,200	$ 770,816
Bond int.	27,450	29,250
War taxes	200,000	110,730
Def. charges	....	60,014
Patr. Fund	12,375	8,500
Bad debts	....	20,000
	$ 602,375	$ 542,321
Dividends—		
Preferred	$ 108.255	$ 108,185
Common	206,221	120,246
Net surplus	$ 287.899	$ 313.890
Prev. surplus	1,003.539	689,649
Total bal. at credit	$1,291.439	$1.003,539

The reorganization of Smart-Woods, Limited, as the Woods Manufacturing Company, Limited, resulted in some changes in the balance sheet, the total assets advancing from $5,039,089 to $9,358,112. However, these are largely a matter of bookkeeping. One of the principal changes is that goodwill now appears as an asset instead of being deducted from liabilities—the amount is the same, at $1,673,941. Current assets are considerably higher, inventories totalling $3,598,356 compared with $2,480,697, accounts receivable $1,084,627 against $232,568 and cash $105,137 against $23,015. Liabilities show no change in the stock position, the changes being for the most part a reflection of the expansion of business indicated by stocks and supplies on hand and outstanding accounts.

At the annual meeting Friday, the president announced that the company has sold the Renfrew Knitting Mills at $225 a share, a profit of $125 a share. The directors declared 1¾ per cent. again on the common stock per quarter. The increase to 10 per cent. that was expected some time ago is very improbable until 1920.

PAINT COMPANY TO MAKE NEW RECORD

Good Statement Coming in March—Thirteen Months as Fiscal Year is Advanced

By Resident Representative

MONTREAL.—No date has been set yet for the annual meeting of Brandram-Henderson, Limited, which usually is held about the middle of February at Halifax. This year the report will not be ready until early in March as the company's year has been changed to correspond to the calendar year, ending on December 31, instead of November 30. As a result the report will cover thirteen months this time in place of twelve. It is known that the report, even on a twelve-month basis, will be a record one for the company, and profits will show a good increase over the figures of last year, $221,429. The company's dividend record consists of a payment at three per cent. in 1917, and an increase to four per cent. in 1918. A Halifax despatch suggests five per cent. for 1919, but this would appear very problematical.

RITZ-CARLTON HOTEL

At the annual meeting of the Ritz-Carlton Hotel Company, of Montreal, the directors reported that there had been a gratifying change for the better in business since signing of the armistice in November. Up to the end of October, business had been disappointing on account of the unusually light tourist travel in the summer months and to the influenza epidemic in October.

Woods Manufacturing Company

Limited

Consolidated Balance Sheet. December 31, 1918

ASSETS

Capital Assets:		
Land, Buildings, Plant and Equipment		$2.500,267.88
Goodwill		1,673,941.24
		$4,174,209.12
Current Assets:		
Inventories of Finished Product, Goods in Process, Raw Materials and Supplies	$3.598,356.03	
Accounts receivable	1,084.627.84	
Investment in Victory Bonds, etc.	358,663.49	
Cash in Bank and on hand	105,137.62	
		5,146,784.98
Unexpired Insurance, Taxes Prepaid, etc.		37,118.83
		$9,358,112.93

LIABILITIES

Capital Stock:		
PREFERRED 7% CUMULATIVE:		
Authorized, 25,000 Shares of $100 each	$2,500,000.00	
Issued		$1,546,500.00
COMMON:		
Authorized, 25,000 Shares of $100 each	$2,500,000.00	
Issued		$1,718,600.00
		$3,265,100.00
Mortgage Bonds, Six Per Cent. Fifteen-Year Serial:		
Authorized issue	$ 500,000.00	
Matured and Paid	60,000.00	
		440,000.00
Mortgage over Winnipeg Property		45,000.00
Current Liabilities:		
Accounts Payable, including provision for Government Taxes for the year 1917 and 1918	$2,165,909.96	
Liabilities for goods in transit	1,163,813.76	
Bond Interest and other Liabilities accrued	15,246.63	
		3,344,970.35
Reserves:		
FOR DEPRECIATION:		
Balance December 31, 1917	$ 420,854.80	
Charged against Profits of the year 1918	210,748.47	
	$ 631,603.27	
For Bad and Doubtful Accounts	40,000.00	
		671,603.27
Rest Account:		500,000.00
Surplus Account, as per Statement attached		1,091,439.31
Contingent Liabilities:		
For Bills and Sight Drafts discounted	$ 161,585.31	$9,358,112.93

Approved on behalf of the Board.

JAMES W. WOODS, President and Managing Director.
ERNEST LINTON, Director.

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the Books and Accounts of the Woods Manufacturing Company, Limited, and its subsidiary companies, for the year ending December 31, 1918, and have obtained all the information and explanations which we required: and we certify that in our opinion the above Consolidated Balance Sheet at December 31, 1918, is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us and as shown by the books of the Company.

PRICE, WATERHOUSE & CO.,
Auditors.

MONTREAL, February 6, 1919.

STATEMENT OF PROFITS AND SURPLUS, DECEMBER 31, 1918

Profits from operations after providing for Depreciation of Plant and Equipment, and for the payment of Bonuses		$ 842,200.99
Deduct:		
Interest on Bonds	$ 27,450.00	
Donations to Patriotic and Red Cross Funds, etc.	12,375.00	
Provision for Government Taxes (balance of 1917 and year 1918)	200,000.00	
		239,825.00
		$ 602,375.99
Deduct:		
Dividends on 7% Preferred Stock	$ 108,255.00	
Dividends and Bonus on Common Stock	206,221.50	
		314,476.50
		$ 287,899.49
Surplus Balance December 31, 1917		1,003,539.82
		$1,291,439.31
Deduct:		
Transferred to Rest Account		200,000.00
Balance December 31, 1918		$1,091,439.31

BETTER FUTURE NOW EXPECTED FOR WINNIPEG RAILS

Sir Augustus Nanton Expresses Hope For Improvement

THE YEAR'S RESULTS

Increased Operating Charges Wiped Out Improved Earnings and Reduced the Net Profits

By Resident Representative

WINNIPEG—Sir Augustus Nanton, president-elect of the Winnipeg Electric Railway, referring to the resignation of Sir William Mackenzie, Sir Donald Mann, and D. B. Hanna from the Board, states that now that all outside members have been dropped from the directorate and the system will be entirely controlled by a Western Board, matters should now improve.

The Manitoba "Free Press" says that the disappearance of Sir William from the directorate and presidency will be viewed, at least by a number of old timers, with considerable regret. He has been connected with the company since the electrification, and he was active in making improvements and extensions through the growing period of the city. The election of a board made up of Winnipeg residents will, however, be welcomed, and greater efficiency in management should inevitably result. The directors have some real problems to solve, and frequent meetings of the full board will now be possible and constant attention given to the questions at issue.

In the annual statement gross income shows an increase of $249,713.20 over 1917, but increased wages and operating expenses swelled the operating charges so that for the year 1918 the net income shows a decrease of $63,845.57, as compared with the preceding year.

In previous years $201,000 has been deducted from the net income for depreciation.

Following are comparative figures for past three years:

	1918	1917
Gross	$3,588,723	$3,339,009
Expenses	2,412,226	2,143,512
	$1,176,497	$1,195,497
Miscell. inc.	44,934	47,877
Gross inc.	$1,221,431	$1,243,374
Deduct—		
Interest	$ 668,342	$ 649,051
Percent. taxes	229,437	209,065
Other chgs.	17,609	31,629
Ent. of disc.	16,255	....
	$ 931,643	$ 889,745
Net income	$ 289,788	$ 353,629

REEVE LEVELS HIS LANCE AT HYDRO

Proposes That Welland County Council Organize to Force Hydro to Action

Under the heading "Reeve McGillivray Levels Lance at Hydro Commission," "Robert Batho," writing in the "Citizen," says that Port Colborne, through its reeve, has done a big thing in starting a movement to organize the municipalities of Welland County to get fair treatment from the Hydro Commission, it being impossible for the individual municipalities to obtain a hearing. Referring to Mr. McGillivray's action he says:

He simply suggested to the County Council that if they would organize a committee, authorized to represent every municipality in Welland as a kind of a league of nations, and let that committee approach the Hydro, the commission would probably consider discretion the better part of valor on their side. In other words, Mr. McGillivray expressed the idea that the reason Port Colborne and other municipalities are so badly provided with lighting, is that the Hydro Commission pay little attention to individual bodies, treat their requests with indifference, and apparently pay no attention to what is said by them. On the other hand, if they were approached by a powerful, united body, they would see it was to their interest to listen, and then act, or face trouble. Your Reeve expressed a hope that his suggestion would bear fruit. There can be little doubt of that. Not only the Reeves of Humberstone, but members from every point of our little county globe hastened to Mr. McGillivray's support. They told how they had approached the Hydro, and, as Reeve Nelson of Thorold put it, "it was absolutely impossible to get a hearing by the commission." There was only one opinion expressed by the several members who spoke, and that was that Reeve McGillivray had hit the nail on the head, and they would all take a hand at the hammer to drive it right home, if necessary. So, something will be done.

At a meeting of the directors of the Canadian Pacific Railway Co. on Monday the following dividends were declared: On preference stock, two per cent, for half-year ended 31st December last; on common stock, two and one-half per cent. for quarter ended 31st December last, being at the rate of seven per cent. per annum from revenue and three per cent. per annum from special income account. Both dividends payable 1st April next to shareholders of record 3 o'clock, 28th February instant.

A COCA-COLA "CHAIN"

Company Will Build Several Factories in Canada

Resulting from a decision of the Coca-Cola Company to build a chain of factories across Canada, it is announced that this spring the company will erect in Regina, on Cornwall St., a plant to cost, when completed, $100,000. The property site for the factory was purchased two years ago. The factory itself will be a one-story building costing about $30,000, and equipment will be installed costing $70,000. One of the machines will be an automatic bottler, which turns out 66 bottles of Coca-Cola a minute.

CANADA BREAD AND THE BAKERS' WAR

Mark Bredin Says That Company is in Comparatively Good Position

The internecine warfare that has been raging among the bread manufacturers of Toronto for some days past seems no nearer settlement than it was a week ago. Some few of the smaller bakers have already put up their hands, and in one or two instances some of the larger firms have decided to revert to at least cost prices, and let the business take care of itself, not illogically arguing that the loss of business that is done at a substantial deficit is not a thing to cause profound sorrow. A few of the largest firms, however, are still hard at it, and there is no indication that they contemplate any early settlement. The dispute arose out of a multitude of small differences that have been accumulating for months past, and the break into open warfare was almost necessary to clear the air. There is no question of a doubt that the bread companies are losing money, and losing heavily.

Figures compiled by the Cost of Living Commissioner for November last showed an average delivered cost of 10.146 cents per 1½ pound loaf. Flour is higher to-day than it was in November, and labor costs have not been reduced, so that it is an easy computation that companies selling bread at 13 and 14 tickets for a dollar, are facing a very substantial deficit daily on their operations, and may face still heavier deficits as it appears that the bottom has not yet been reached in regard to price. The consumer in the meanwhile is profiting.

Mark Bredin, president and manager of the Canada Bread Company, states merely that the "war" situation is favorable, as far as the interests of the Canada Bread Company is concerned. The strengthening feeling in tradings in the stock during the week, which reacted from a low bid of 15 on Tuesday to a bid of 19½, with no offerings, on Wednesday, is an indication that shareholders are confident of the ability of the company to weather these days satisfactorily.

HALIFAX SHIPYARDS

All Buildings Ready by March 1—R. M. Wolvin Goes to Europe

Good progress is being made in connection with Halifax Shipyards. In referring to this, J. W. Norcross, after an inspection of the plans and plant, said:

The ground is pretty well prepared and we expect to have all the buildings under erection by March 1. The keel blocks are down for two ships, but, on account of the delay in delivery of the necessary material by the Government, we have not yet been able to lay a keel. The first keel will be laid as soon as this material arrives, and also the material for the floors. This, however, is not yet even in transit.

As has been stated before, we have four ships under contract, two of 8,100 tons, and two of 10,000 tons. We hope to begin work on them as soon as possible. The outlook for shipping during the next two years is a bright one. Even though freights are reduced, there will be a fair profit for ships not under requisition."

I am very much pleased with the progress already made on rebuilding the "Lake Manitoba" and we expect to deliver her before the time specified. The excavation for the power plants is almost completed. A 3,500 horsepower and will be installed, and we are constructing the plant so that it can burn coal or fuel oil.

R. M. Wolvin, vice-president and managing director, has sailed for Europe, where he will spend some months.

BLACK LAKE ASBESTOS

The directors of the Black Lake Asbestos & Chrome Company have declared an interest payment of three per cent. on the income bonds for the second half of 1918, making a total of six per cent. for the year, compared with five per cent. for 1917 and two per cent. for the last half of 1916. The present payment will be made on March 1.

EXPRESS CO. CONCILIATION

OTTAWA.—The Minister of Labor has appointed Judge Gunn, of Ottawa, chairman of the Board of Conciliation, which will deal with the dispute between the Canadian Express Company and its employees who are members of the Canadian Brotherhood of Railway Employees. The other members of the board are: P. H. McGuigan, of Toronto, representing the company, and F. C. Bancroft, of Toronto, for the employees. The dispute has to do with a proposed new wage scale.

AUTOMOBILE OUTPUT

Makers Rapidly Getting Back Into Production

NEW YORK.—Automobile manufacturers are rapidly getting back into quantity production. By March 1 all the larger companies at least will be rapidly approaching the stride they were hitting when Government requirements for war work necessitated curtailment of production of passenger cars.

Skeptics on the business outlook for this country have insisted that the business depression they were sure was on the way was certain to hit the automobile industry as hard as any. Up to the present there is no indication of this. Cars actually contracted for at the Automobile Show in New York broke all records both as to number and value.

Inquiry among the larger manufacturers of passenger cars indicates that they have orders on hand, assuring capacity production for ninety days.

Municipal
Public Utility
Victory Bonds

To Yield

5¼% to 7¼%

Nesbitt, Thomson &
Company, Limited
INVESTMENT BANKERS
222 St. James St., Montrea
Mercantile Trust Building, Hamilton

The Waterloo County Loan and Savings Company

FINANCIAL STATEMENT TO DECEMBER 31, 1918

The Directors beg to submit to the Shareholders, the Sixth Annual Report and Financial Statement of the Company for the year ending December 31st, 1918.

After providing for interest on deposits and debentures, and defraying the expenses of management, including Dominion Government, Provincial and Municipal taxes, the balance available for distribution is as follows:

Balance brought forward from 1917	$ 1,225.87
Premium on Stock	4,367.00
Net profits for the year	41,057.57
	$46,650.44
This amount has been disposed of as follows:—	
Two half-yearly Dividends, Nos. 9 and 10, at the rate of six per cent. per annum	$26,022.40
Written off Office premises	596.10
Transferred to Reserve Account	15,000.00
Transferred to Contingent Fund	3,500.00
Balance carried forward	1,531.94
	$46,650.44

During the whole period of the war, a steady growth in business was maintained and it is not unreasonable to suppose that with the future development of the counry, the operations of the Company should show continued expansion in all departments of the business.

The investments of the Company have received careful attention, and a very large proportion of these are held in Government, Provincial and Municipal securities. The books and vouchers, both at the Head Office and Kitchener Branch, have been audited monthly and the Auditors' Certificate is attached herewith.

All of which is respectfully submitted.

THOS. HILLIARD, President.

Waterloo, Ontario, January 28th, 1919.

PROFIT AND LOSS ACCOUNT.

Dr.		Cr.	
Interest on Deposits	$ 24,737.50	Balance Brought Forward	$ 1,225.87
Interest on Debentures	16,707.65	Premium on Stock	4,367.00
Interest on Loans	2,595.29	Earnings on Mortgages, Government, School and Municipal Bonds, etc.	102,846.26
Commission Account	1,462.87		
Expenses, including Dominion, Provincial and Municipal Taxes, Salaries, Rentals, Printing, Advertising, etc.	16,285.38		
Dividends Nos. 9 and 10	26,022.40		
Carried to Reserve	15,000.00		
Carried to Contingent Account	3,500.00		
Written off Office Premises	596.10		
BALANCE, Profit and Loss	1,531.94		
	$108,439.13		$108,439.13

ASSETS AND LIABILITIES.

Assets.		Liabilities		
Mortgages	$ 589,994.25	To the Public—		
Dominion and Provincial Government Bonds	423,435.20	Savings Deposits	$629,034.06	
Municipal Bonds	592,054.61	Deposit Receipts	225,000.00	
Loans of Securities	19,855.35	Debenture Accounts	402,301.60	$1,256,335.66
Office Premises	11,600.00	To the Sharesolders—		
Other Real Estate owned by the Company	39,372.57	Capital Stock paid	$481,802.43	
Cash on Hand and on Deposit	169,728.25	Dividend No. 10, payable Jan. 1, 1919	13,370.20	
		Reserve Fund	85,000.00	
		Contingent Fund	8,000.00	
		Balance	1,531.94	589,704.57
	$1,846,040.23			$1,846,040.23

To the President, Directors and Shareholders of The Waterloo County Loan and Savings Company.

Gentlemen:—

We beg to report that we have made a regular monthly audit of the books of account and vouchers of your Company for the year ending 31st December, 1918, and that we have found the same correct and according to the statements herewith submitted.

In our opinion the balance sheet, referred to in this report, is properly drawn up, so as to exhibit a true and correct view of the state of the Corporation's affairs as shown by its books.

Respectfully submitted,
J. M. SCULLY, F.C.A.,
J. SCULLY,
Auditors.

Waterloo, Ont., 24th January, 1919.

DIRECTORS

THOS. HILLIARD, President.
E. F. SEAGRAM, Vice-President.
S. B. BRICKER F. S. KUMPF P. H. SIMS THOS. TROW
M. M. BRICKER FRED. HALSTEAD W. L. HILLIARD, M.D.
GEO. D. FORBES A. J. KIMMEL
Manager, P. V. WILSON
Solicitors, McBRIDE AND McKENZIE.
Auditors, J. M. SCULLY, F.C.A., J. SCULLY

MONARCH LIFE
Assurance Company
HEAD OFFICE, WINNIPEG

SUMMARY OF 1918 INCREASES

ASSURANCES, New	22%	POLICY RESERVES	34%
ASSURANCES IN FORCE	32%	TOTAL ASSETS	28%
TOTAL PREMIUM INCOME	25%		

COMPARATIVE GROWTH

Year.	New and Revived Business	Business in Force
1908	$881,500	$1,334,000
1911	$1,354,804	$4,006,145
1914	$2,301,007	$7,427,697
1917	$4,263,908	$11,507,761
1918	$5,198,888	$15,171,309

INTEREST EARNINGS—According to the latest available reports, the average rate of interest earned on invested funds by Life Companies was as follows: Canadian, 6.05%; American, 4.86%; British, 4.43%; MONARCH (1918), 7.88%.
EXPENSE RATE reduced six points. TERMINATIONS decreased one-third.
MORTALITY: 84% of expected—Ordinary, 11.4%; War, 16.2%; Flu, 56.4%.

OFFICERS AND DIRECTORS
President: Mr. J. T. GORDON
Vice-President: Mr. W. A. MATHESON and Mr. F. W. ADAMS.
Messrs. W. R. Bawlf. Col. H. A. Mullins.
Charles E. Gordon, H. W. Echlin, R. G. Ironside.
Managing Director—J. W. W. Stewart.
Secretary and Actuary—J. A. Macfarlane, A.I.A.
Medical Referees—E. S. Popham, M.D.; Wm. Rogers, M.D.
Auditors—Messrs. John Scott & Co., C.A. Solicitors—Messrs. Taylor, Ross & Leach

EXPENSES CUT INTO PROFIT OF LONDON RAILS

Ratio of Charges to Income Has Increased to 81.76 Per Cent.

EARNINGS HIGHER

Net Result Was a Decline of $3,535 Compared With Previous Year—Depreciation Reduced the Surplus

The fact that while there was an expansion of 9.21 per cent. in gross earnings there was an increase of 12.70 per cent. in operating expenses and that the ratio of operating charges to revenue rose to 81.76 per cent. as compared with 79.24 per cent. in 1917, indicates in brief the history of the London Street Railway in 1918, while the trend in the company's affairs may be summarized by stating that in 1918 the ratio of operating charges was only 69.0 of income. The earnings for the year were $456,355 compared with $417,862 in 1917 and charges were $373,123 compared with $331,094. Following are comparative figures illustrating income, net profits and distribution thereof.

Earnings—	1918	1917	Change
Passenger	$450,182	$413,241	+$36,941
Miscellaneous	6,172	4,620	+ 1,552
Gross	$456,355	$417,861	+$38,493
Expenses	373,123	331,094	+ 42,029
Net earn.	$ 83,232	$ 86,768	—$ 3,535
Deductions—			
Int. on Bonds	$ 28,438	$ 29,648	—$ 1,209
Interest	3,335	1,760	+ 1,575
Taxes	6,903	7,661	— 756
Miscellaneous	56	221	— 165
Depreciation	29,208	.....	+ 29,208
	$ 67,940	$ 39,290	+$28,650
Surplus	$ 15,292	$ 47,477	—$32,185

The report points out that wages were increased on May 1st, 1918, by a Conciliation Board, under the Industrial Disputes Act, the increase for eight months being approximately $25,000 or on the basis of $37,500 per year. The operating cost per car mile operated, increased from 17.12 cents in 1917 to 20.37 cents in 1918, or an increase of 19 per cent. The various costs these years are:

1915	14.13 cents.
1916	15.08 cents.
1917	17.12 cents.
1918	20.37 cents.

Following are features of the company's record for the past nine years:

	Gross Earnings	Operating Expenses	Net Earnings
1918	$456,355	$373,123	$ 83,232
1917	417,862	331,094	86,768
1916	426,314	292,400	133,913
1915	398,858	275,212	123,646
1914	375,895	267,900	107,994
1913	331,967	234,917	97,050
1912	306,231	210,278	95,953
1911	279,607	192,737	86,870
1910	256,278	182,192	74,087

LAURENTIDE SCORES A HIGH RECORD

When the Stock This Week Touched 200 it Was Best Price Since 1916

The rise this week in Laurentide Company stock to over 200, a higher point than it touched since 1916, when it reached 217½, is not considered to have been due to any immediate announcement pending in connection with the company, but to heavy buying orders for a stock for which there is a general belief that much higher point will be touched during the present year. Part of the advance may be credited to the recent increase in the dividend rate from 10 to 12 per cent., and there is impending three-quarters of the dividend that is expected from the Laurentide Power Company, so that if this is fixed this year at 4 per cent. Laurentide will receive an equivalent of 3 per cent. on its total stock. The company is credited in some circles with the intention of raising the dividend to 15 per cent. as soon as the Laurentide Power Company starts its dividend. Then as a further inducement there is a proposal lurking among the directors to divide up the common stock into three parts, so that it could receive a better distribution that is possible now at its high figure.

But beyond all this, which is a stock market end of the industrial interest, there are plans for the development of the company in the future, as soon as the Government leaves off the restrictions on price, and ends investigations, it is declared.

It is proposed gradually to instal four or five big newsprint machines that will replace the seven now in operation. These will secure greater economy and efficiency, besides increasing production very largely. These plans contemplate the expenditure of fully $2,000,000.

ASBESTOS CORP. AT $1,253,813 GAINS 123%

A Remarkable Increase in Earnings, With 216% More For Dividends

18.7% ON COMMON

Compared With 3% One Year Before—Working Capital Up $800,000—Bright Outlook For Company

The honors rest with the Asbestos Corporation of Canada for furnishing the most spectacular contribution to the subject of profits in the annual statement that was issued on Thursday. The company had taken an unusual course in raising its preferred dividend twice in the one year, and in the third quarter in establishing its common on an initial basis of 5 per cent., but even with this the Street was unprepared for the enormous increases in gross and net earnings. The profits from operations, after making provision for Government taxes, with the addition of interest, amounted to $1,253,813, as compared with $506,542 one year ago. This works out at a rate of 123 per cent. increase of 1918 over 1917, and was the more remarkable when the increase of 1917 over 1916 was only $26,000.

When the deductions are made the increase appears even more generous, relatively to previous years. After allowing for renewals, $197,190, an increase over last year, and a new item of $104,396 for depreciation, which was not duplicated last year, and bond interest of $150,000, there remained available for dividends the sum of $801,927 as compared with $253,789 one year ago. This is an increase of 216 per cent. On the present basis of 6 per cent. on the preferred stock of $4,000,000 (working out at 20.5 per cent.) there would be left a balance of $561,927 for common dividends, or 18.7 per cent., leaving a balance of 13.5 per cent. over the amount now being paid. One year ago, when only 4 per cent. was paid on the preferred, the balance remaining for the common was only 3.1 per cent. On the percentage basis of increases this statement therefore stands by itself among those coming out during the year so far.

The comparative figures for the last three years are as follows:

Profit and Loss

	1918	1917	1916
Profits	$1,177,179	$506,542	....
Interest	76,634	56,527	....
Total	$1,253,813	$563,069	$537,938
Less ren'w'ls, etc.	197,490	159,280	172,461
Less depreciation	104,396	....	....
Bond int.	150,000	150,000	150,000
Net profit	$ 801,927	$253,789	$215,476
Less pref. divid.	190,000	160,000	....
Bal. surplus	$ 611,927	$ 93,789	$215,476
Prev. surp.	593,892	500,102	284,626
Total surp.	$1,205,819	$593,892	$500,102

But the huge figures of earnings and profits, comparatively, do not stand out as the strongest part of the latest report of this company, that for the most part has been disregarded until a few weeks ago by the investing or speculating public. To many Asbestos has stood as a war material, and the present earnings have been discounted on the ground that the company would never again approach the totals of 1918. As was pointed out in THE FINANCIAL POST last week this theory is incorrect. Asbestos is quite as much a possibility of peace as of war, and it was stated also that it was only the lack of shipping facilities that prevented the company filling large additional orders for export. The president of the company states that there should be a continued demand for the company's products.

Liquid Assets $804,504 Up

The other strong point about the report is the great improvement made in the liquid position of the company in the last two years. At the end of 1916 the net working capital amounted to a little under $1,500,000, and this rose a little the next year to $1,584,851. But at the end of 1918 the total over and above the current liabilities was $804,504, reaching $2,353,355. It should be pointed out that this estimate allows the full amount of "investments" of the company as liquid assets, an unusual practice in the past, but as the greater part of this by far consists of Victory Bonds—$550,000 being purchased during the past year—and the balance the bonds of the company purchased and in the Treasury, little license has been shown in including the full amount.

The Asbestos Corporation in the year 1912 took over the old merger, the Amalgamated Asbestos Corporation, and for several years the profits were light. In 1913, for instance, they amounted to $270,932, with a surplus, after charges had been met, of $54,765. Even in 1915 the surplus was under $100,000, so that the present surplus of over $800,000 shows the extent of the earnings and profits this past year. During this seven years, less five months, the company paid out only $350,000, out of total earnings of $3,500,000.

Stock 35 Points Up in Less Than Year

The stock market history of this stock, especially the common, furnishes an interesting, though pensive reflection on "what might have been"—to the speculator. Even until well on in the year 1918 the stock could have been purchased for 15, the range in 1917 being 12 and 20 as the high. Prior to the five per cent. dividend being announced the stock started an upward movement from 32, and reached 40, advancing by slow stages until 50 was reached on Thursday of this week after the publication of the statement. The preferred rose from 66 to 67½ on Thursday, as the stock, though paying only 6 per cent., now shares equally with the common in future dividend increases.

MEDLANDS AT LINDSAY

Toronto Wholesale Grocers Open New Branch

The wholesale grocery firm of J. E. Adams & Co., Lindsay, Ont., has been bought by Medland Bros., Toronto, and same will be operated as a branch of Toronto business. Duncan A. Sinclair has been appointed manager of the Lindsay business and will assume his duties about the first of March.

The retirement of J. E. Adams comes after many years' activity in and about Lindsay and has been found necessary, owing to the strain on his health.

CITY DAIRY'S YEAR

Satisfactory Are Results Reported by Mr. Northgrove

The directors of the City Dairy Company, Toronto, met this week to consider the year's business of the company, and to make plans for the future. W. J. Northgrove, manager of the company, stated that it was in a very satisfactory position. The business for the month of January, 1919, practically duplicated the business done in the same month of the previous year, which, under existing conditions, he believed to represent a satisfactory position.

UNLISTED SECURITIES

STOCKS—	Bid	Ask
Alberta Pac. Grain, com.	115	125
Do., pref.	85	95
Belding Paul, com.	25	27
Do., pref.	79	85
British Amer. Ass.	9	..
Canada Machinery, com.	15½	19
Do., pref.	46	53
Carriage Factory, pref.	38	45
Can. Westinghouse	105	110
Canadian Oil, com.	44	46
Do., pref.	96	..
Dom. Fdry. & Steel, com.	57	60
Dom. Manufacturers, pref.	42	55
Dom. Pr. & Trans., com.	42	47
Eastern Car, pref.	48	55
Great West Life	220	230
Home Bank	75	78
Imperial Oil	345	365
Illinois Traction, pref.	69	75
Inter. Milling, pref.	85	88
A. Macdonald, pref.	95	98
Wm. Neilson, com.	54	..
Sterling Coal, com.	14	16
Sterling Bank	91	95
Standard Reliance	40	44
Tooke Brothers, pref.	69	72¼
Trust & Guarantee	75	80
Universal Tool Steel	5	8
Western Assurance	7¼	8¼
BONDS—		
P. Burns, 1924, 6s	99	105
Do., 1931, 6s	96	99
Canadian Cotton, 5s	79	83
Can. Steamship Bds., 5s	82	85
Carr. Factories, 6s	84	89
Dominion Canners, 5s	92	94
Elec. Development, 5s	87	92
Eastern Car, 5s	89	85
Mex. Northern Power, 5s	12	15
Morrow Screw, 6s	87	90
Nova Scotia Steel, 6s	88	91
Ontario Pulp, 6s	86	90
Porto Rico, 5s	74	80
Riordon Pulp, 6s	93	95
Span. River Pulp, 6s	87	92
Sterling Coal, 6s	71	76
Sao Paulo, 5s	80	85
Stone Limited, 6s	90	95
Toronto Power, 5s	87	92
Tor. & York Radial, 5s	96	97½
Toronto Paper Co., 6s	86	92

DIVIDENDS

Company	Date	Rate	Record
B.C. Packers, com.	Feb. 21	2½%	Feb. 8
B.C. Fish	Feb. 21	1¼%	Feb. 8
Hollinger Mines	Feb. 25	1%	Feb. 15
Bk. of Hamilton	Mar. 1	3%	Feb. 20
Union Bank	Mar. 1	2½%	Feb. 14
Bk. of Commerce	Mar. 1	3%	Feb. 13
Bk. of Montreal	Mar. 1	3%	Jan. 31
Home Bank	Mar. 1	1¼%	....
Royal Bank	Mar. 1	3%	Feb. 15
Bk. of Toronto	Mar. 1	3%	Feb. 12
Bk. of Hochelaga	Mar. 1	2¼%	Feb. 15
Detroit-United	Mar. 1	2%	Feb. 13
Montreal Loan	Mar. 15	2½+1	Feb. 28
Can. Pacific Ry. com.	Apr. 1	2½%	Feb. 28
Do., pfd.	Apr. 1	2%	Feb. 28
Penman, pref.	May 1	1½%	Apr. 21
Do., com.	May 15	1¾%	May 5
Kerr Lake Mines	June 15	25c	June 1

Belgium will ask the Allies for a raw material credit to put her idle industries into operation, advices to the Belgian Legation here announced. Lack of raw materials and not lack of energy, is declared to be the cause of unemployment in Belgium.

"Older than the Dominion of Canada"

An Increase of Over Half a Million Dollars in Canadian Debentures

$5,215,130 represented the amount invested in **The Huron & Erie Canadian Debenture Department** at the close of 1918. On December 31, 1917, the amount was $4,703,191.

The increase of $511,939 is worthy of mention. It is another indication of confidence on the part of investors in the stability of this strong old institution.

Deposits in the Savings Department at the end of the year totaled $3,104,973.

At the close of 1917 the amount was $3,025,255. Notwithstanding the investment of large sums by depositors during 1918, there was an increase of $79,718.

One of the outstanding results is the addition of $200,000 to Reserve Fund. The Paid-Up Capital and Reserve Fund now total $5,800,000.

DIRECTORS' REPORT

The Directors of **The Huron & Erie Mortgage Corporation** have pleasure in submitting herewith their Fifty-Fifth Annual Report, showing the result of the Corporation's operations for the past year, accompanied by the balance sheet to December 31st, 1918, duly audited.

After defraying the expenses of management and all other charges, and making allowance for actual and possible losses, the balance available for distribution is $560,738.90, as follows:

Brought forward from the previous year's account	$ 86,669.82	
Net profits upon the past year's business	474,069.08	
		$560,738.90
of which the following disposition has been made:—		
Four quarterly dividends of 3 per cent. each (making the total distribution 12 per cent.)	$300,000.00	
Government and Business Tax	8,099.25	
War Tax	13,477.11	
Set aside for Transfer to Pension Fund	10,000.00	
Set aside for Transfer to Patriotic Fund, Canadian Red Cross Fund, National Y.M.C.A. Fund and Navy League Fund	5,825.00	
Transferred to Reserve Fund	200,000.00	
Balance carried forward	23,337.54	
		$560,738.90

The Reserve Fund now amounts to $3,300,000.00, or one hundred and thirty-two per cent. of the Paid-Up Capital.

The sum of $10,000 has been set aside for transfer to the Pension Fund, and the sum of $5,825.00 for patriotic purposes as above noted. The Shareholders will be asked to approve these transfers.

The Corporation has no real estate on hand other than office premises, all properties which have come into the possession of the Corporation by foreclosure, failure to obtain purchasers under power of sale, or otherwise, having been sold.

The Directors desire to bear testimony to the very efficient manner in which the Officers of the Corporation have discharged their respective duties.

All of which is respectfully submitted.

London, Ontario, January 28th, 1919.

T. G. MEREDITH, President.

Statement for Year Ending December 31st, 1918

ASSETS AND LIABILITIES

DR.

Liabilities to the Public:		
Sterling Debentures	$ 3,859,727.16	
Canadian Debentures	5,215,130.05	
Deposits	3,104,973.21	
Interest accrued, but not due	119,582.10	
		$12,299,412.52
To the Shareholders:		
Capital Stock paid up	$ 2,500,000.00	
Reserve Fund	3,300,000.00	
Officers' Pension Fund	10,000.00	
Quarterly Dividend, No. 125, due 2nd January, 1919, at 3 per cent.	75,000.00	
Balance	23,337.54	
		5,908,337.54
		$18,207,750.06

CR.

Cash value of Mortgages	$10,471,100.00	
Less amount retained to pay prior mortgages	61,429.58	
		$10,409,670.42
Office Premises		249,903.01
Canadian Municipal, School District and Rural Telephone Debentures		2,709,498 00
Bonds of Great Britain, the Dominion of Canada, and its Provinces		2,241,104 10
Other Bonds and Securities		87,894 00
Canada Trust Company Stock at cost (Value on basis of Reserve, $1,556,640)		1,180,860 00
Cash in Office	$ 55,223 63	
Cash in Bank	1,273,596 90	
		1,328,820 53
		$18,207,750 06

HUME CRONYN, General Manager.

RESERVE FUND AND UNDIVIDED PROFITS.

Reserve on 31st December, 1917	$3,100,000.00	
Transferred from Profits on 31st December, 1918	200,000.00	
		$3,300,000.00
Undivided Profits for 1918		23,337.54
Reserve Fund and Undivided Profits on 31st December, 1918		$3,323,337.54

AUDITORS' REPORT

We hereby certify that for the year ending December 31st, 1918, we have audited the Books and Accounts and have examined the Securities of the Huron & Erie Mortgage Corporation, except those of its branches at Regina, Winnipeg and Edmonton.

All our requirements as Auditors have been complied with, and in our opinion the above statements are properly drawn up so as to exhibit a true and correct view of the state of the Corporation's affairs as shown by its books.

The Books and Accounts of the Branches at Regina, Winnipeg and Edmonton have been audited and the Securities there have been examined by Mr. J. C. Pope, C.A., Messrs. F. C. S. Turner & Co., C.A., and by Messrs. Baldwin, Dow & Bowman, C.A., respectively, and the results as certified to by them are incorporated in the above statements.

London, January 28th, 1919.

M. H. ROWLAND,
F. G. JEWELL, C.A.,
Auditors.

Almost a Million Dollar Increase In Assets

$9,910,267 represent the total Assets at the close of 1918. On December 31, 1917, they were $8,914,043, an increase of $996,224.

The increase for 1918 in Guaranteed Funds (money placed with **The Canada Trust Company** for investment) is $191,182.

Estate Funds total $3,544,906, an increase of $754,716 over 1917.

$50,000 was addded to Reserve Fund. The paid-up Capital and Reserve now amount to $1,600,000.

DIRECTORS' REPORT

The Directors of **The Canada Trust Company** have pleasure in submitting herewith their Seventeenth Annual Report, together with the Financial Statement for the year ending 31st December, 1918.

After defraying the expenses of management and other charges, and making allowance for actual and possible losses, the balance available for distribution is $150,411.01, as follows:

Brought forward from the previous year's account	$ 10,274.73	
Net profits upon the past year's business	140,136.28	
		$150,411.01
of which the following disposition has been made:—		
Two half-yearly dividends at 8 per cent. per annum	$ 79,992.00	
Government and Business Tax	4,261.11	
War Tax	8,056.54	
Set aside for transfer to Patriotic and Red Cross Fund	2,500.00	
Transferred to Reserve Fund	50,000.00	
Balance carried forward	5,601.36	
		$150,411.01

The Reserve Fund now amounts to $600,000.00, or 60 per cent. of the Company's Paid-Up Capital.

The sum of $2,500.00 has been set aside for patriotic purposes as above noted. The Shareholders will be asked to approve these donations.

The accounts, vouchers and securities have been duly examined by the Auditors, whose report is appended.

The Directors desire to bear testimony to the very efficient manner in which the Officers of the Company have discharged their respective duties.

All of which is respectfully submitted.

London, January 31st, 1919.

T. G. MEREDITH, President.

Statement as at 31st December, 1918.

LIABILITIES.

Capital Account:			
Capital Stock Paid Up		$1,000,000.00	
Dividend payable 2nd January, 1919		39,996 00	
Reserve Fund:			
31st December, 1917	$550,000.00		
Added 31st December, 1918	50,000.00		
		600,000.00	
Balance at Credit of Profit and Loss		5,601.36	
			$1,645,597.36
Guaranteed Funds:			
Sum for Investment		$4,638,507.86	
Interest Accrued but not Due		81,255.60	
			4,719,763.46
Estate Funds:			
Estate Moneys for Investment		$1,792,228.04	
Unrealized Assets		1,752,678.35	
			3,544,906.39
			$9,910,267.21

ASSETS.

Capital Account:			
Cash Value of Mortgages	$ 698,744.49		
Less amount retained to pay prior mortgages	26,290.20		
	$ 672,454.29		
Canadian Municipal, School District and Rural Telephone Debentures		412,475.00	
Bonds of Great Britain, the Dominion of Canada and its Provinces		251,283.00	
Other Bonds and Securities		60,286.00	
Real Estate		12,984.07	
Cash on hand and in Banks		236,115.00	
			$1,645,597.36
Guaranteed Funds:			
Cash Value of Mortgaes		$2,557,541.00	
Canadian Municipal, School District and Rural Telephone Debentures		739,948.00	
Bonds of Great Britain, the Dominion of Canada and its Provinces		1,265,621.00	
Other Bonds and Securities		12,907.00	
Cash on hand and in Banks		143,746.46	
			4,719,763.46
Estate Funds:			
Cash Value of Mortgages, Bonds and Debentures		$1,476,321.00	
Unrealized Assets		1,752,678.35	
Cash in Banks		315,907.04	
			3,544,906.39
			$9,910,267.21

HUME CRONYN, General Manager.

The Canada Trust Company is under the same management as the Huron & Erie Mortgage Corporation.

AUDITORS' REPORT

We hereby certify that for the year ending December 31st, 1918, we have audited the Books and Accounts and have examined the Securities of The Canada Trust Company, except those of its branches at Regina, Winnipeg and Edmonton. All our requirements as Auditors have been complied with, and in our opinion the above statements are properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs as shown by its books.

The Books and Accounts of the Branches at Regina, Winnipeg and Edmonton have been audited and the Securities there have been examined by Mr. J. C. Pope, C.A., Messrs. F. C. S. Turner & Co., C.A., and by Messrs. Baldwin, Dow & Bowman, C.A., respectively, and the results as certified to by them are incorporated in the above statements.

London, January 29th, 1919.

M. H. ROWLAND,
F. G. JEWELL, C.A.,
Auditors.

Head Offices: London, Canada

The Huron & Erie Mortgage Corporation

Branches: London (two), St. Thomas, Windsor
Winnipeg, Regina, Edmonton

The Canada Trust Company

A Branch Office of these institutions will be opened in Toronto at Numbers 14 and 16 King Street East, about July next.

HOLLINGER MINES HAS BUILT UP A STRONG RESERVE

Made Remarkable Progress During the Year Just Closed

SURPLUS IN BONDS

Has Nearly $2,000,000 Invested in Victory Bonds—Adds Million to Ore Reserves

A most encouraging report has been issued by Hollinger Consolidated Gold Mines, Limited, covering operations for the calendar year 1918. In face of obstacles which were even more serious than those encountered in 1917, the company was able by careful management to make a decidedly better showing. With net profits from operation amounting to $2,588,563, the result of the year's work fell very little short of the record year, 1916, when a profit of $2,676,409 was earned.

The profit and loss account may be compared with the corresponding account in the 1917 report. Its salient features are the gain of $1,500,000 in production; the increase of about $600,000 in charges; the increased allowance for depreciation and the enlarged dividend payments. Finally there is the substantial gain in surplus from $712,724 to over two million dollars.

	1917	1918
Production	$4,261,938	$5,752,370
Other receits	9,321	155,957
Income	$4,271,260	$5,908,327
Charges*	2,261,711	2,857,510
Profit	$2,009,549	$3,050,817
Depreciation	100,000	375,000
	$1,909,549	$2,675,817
Taxes	184,134	82,404
	$1,725,415	$2,593,413
Donations	5,100	4,850
	$1,720,314	$2,588,563
Dividends	738,000	1,230,000
Surplus for Year	$ 982,314	$1,358,563
Prev. Balance	269,590*	712,724
Surplus	$ 712,724	$2,07-,287

*Deficit.

The balance sheet is notable for an expansion of over one million dollars in assets, represented by investments in Government war bonds. Of these the company held $50,000 at December 31, 1917 and $1,625,000 at December 31, 1918. Otherwise the statement of assets shows no great change, mining properties being valued at the same figure of $21,150,244, while the plant account is down from $2,333,083 to $2,076,462. Neither has there been any particular change in the statement of liabilities.

Assets	1917	1918
Mining Properties	$21,150,244	$21,150,244
Plant	2,333,083	2,076,462
Development	756,930	761,936
Deferred charges	276,185	276,185
Real Estate	2,987	3,387
Total Capital Assets	$24,519,431	$24,268,217
Current Assets	610,821	2,296,235
Bullion Assets	426,346	257,299
Total Assets	$25,556,599	$26,821,751
Liabilities		
Capital Stock	$24,600,000	$24,600,000
Current Liabilities	243,875	150,464
Surplus	712,724	2,071,287
	$25,556,599	$26,821,751

Ore Reserves

Ore reserves are now valued at $41,080,005 or nearly $1,000,000 more than at December 31,1917. With regard to these reserves, A. F. Brigham, the general manager, says: "The tonnage is practically the same as shown in last year's statement, as no effort was made to effect any increase in the face of greatly adverse labor conditions and high prices for supplies. We have, however, kept abreast of a materially increased tonnage." There was hoisted from the mine 580,002 tons of ore, of which 578,002 tons were milled. Average values being $10.24, the gross value was $5,924,598. There was lost in tailings $172,228, leaving a net value recovered of $5,752,370.

In the directors' report, the president, N. A. Timmins refers to the improved labor situation, which gives ground for encouragement; to the resumption of dividends, which he expects will be continued at the same rate until the general mining situation and the financial position of the company warrant an increase; and to arrangements under which bullion is now shipped to Ottawa to be refined instead of to New York. Mr. Timmins announces that the completion of the mill, the installation of an extra compressor and the erection of a refinery will now be proceeded with.

MINING STAFF CHANGES

A reort from Glace Bay states that Alex. S. MacNeil, superintendent of mines for No. 2 district, Dominion Coal Company, and D. H. MacLean, manager of No. 9 Colliery, have designed to take similar positions with Nova Scotia Steel & Coal Company at Sydney Mines, the former to have charge of all Scotia's coal operations under T. J. Brown. Mr. MacNeil has been with the Dominion Coal Company practically all his life, and was made superintendent five years ago, after being manager. Mr. MacLean has occupied the position of manager for eight years.

The London Life Insurance Company
Head Office - London, Canada

THE FORTY-FOURTH ANNUAL REPORT
Shows Uninterrupted Progress During 1918

Business in Force $59,804,430 **A Gain of $9,017,064**
Cash income $2,799,883 **Assets $9,189,657**

Decrease in Expense Rate. Increase in Interest Rate
Profits Exceed Estimates by 65 Per Cent.

Synopsis of Financial Statement:

REVENUE ACCOUNT

RECEIPTS.		DISBURSEMENTS	
Total Premium Income	$2,249,348.08	Paid Policyholders or Heirs	$ 900,107.65
Interest on Investments	530,535.62	Dividends to Shareholders	4,000.00
Items in Suspense	2,656.75	Government Fees and Taxes	37,028.22
		Medical Fees, Head Office, Investment and General Expenses	217,989.26
		Agency Salaries and Commissions	543,729.30
		Balance to Investment Account	1,079,686.02
	$2,782,540.45		$2,782,540.45

CE SHEET

ASSETS		LIABILITIES.	
Mortgages, Debentures and Stocks	$7,937,505.56	Policy and Annuity Reserves	$8,448,469.00
Loans on Policies and Other Invested Assets	805,049.68	Accumulating and Accruing Profits	269,595.00
Outstanding and Deferred Premiums, Net	261,379.98	Investment Reserves and Other Liabilities	297,602.64
Interest Due and Accrued	185,722.65	Surplus on Policyholders' Account (Inclusive of paid Capital, $50,000)	173,991.23
	$9,189,657.87		$9,189,657.87

The Actuary's Report Certified as Follows:

That the Policy Reserves as at 31st December, 1918, amount to $8,448,469.
That the Reserve on 90.7 per cent. of the total business is on a 3 per cent. interest basis.
That the Reserve for accruing profits has been fully maintained.
That notwithstanding the heavy mortality of the year all other special funds had been fully maintained.
That emergency funds available had been used to meet a portion of the extraordinary claims of the year.
That it was not necessary to reduce the Company's liberal scale of profits, except for a slight modification, especially at the older ages, to preserve equity between Policyholders.
The Report further certified that the Surplus on the Government Standard is $926,605.23, inclusive of the paid Capital of $50,000.

The Annual Report for 1918 Shows:

The highest record in New Business.
The lowest in Expense Ratio in both Branches.
An increased Rate of Interest Earned—6.82%.
90% of total Business on 3% Reserve Basis.

The Policy Reserve, Investment Reserve and Reserve for accruing profits were maintained on the Company's usual high standard, notwithstanding payment of $330,000 War and Epidemic Claims.
All Military Service restrictions in pre-war policies were voluntarily waived by the Company.
The surplus on the Government basis exceeds $1,000,000, inclusive of the paid-up Capital of $50,000.
Increased five-year dividend distributions are authorized for 1919.

CANADIAN PACIFIC
DAILY TRAIN SERVICE
TORONTO - WINNIPEG - VANCOUVER
Leave Toronto 7 p.m.
Arrive Winnipeg 12.10 p.m. (Second Day)
Arrive Vancouver 10.05 p.m. (Fourth Day)
THROUGH EQUIPMENT

Compartment Observation Cars, Standard and Tourist Sleeping Cars, Dining Car, First-Class Coaches, Colonist Cars, Toronto to Vancouver.
A round-trip ticket to the Pacific Coast via the "Canadian Pacific" permits a wide diversity of routes without additional charge.

CANADIAN PACIFIC HOTELS IN WESTERN CANADA
OPEN ALL THE YEAR ROUND
"Royal Alexandra," Winnipeg; "Palliser Hotel," Calgary;
"Vancouver Hotel," Vancouver; "Empress Hotel," Victoria

Passengers for California should arrrange their trip to include the Canadian Pacific Rockies
Particulars from Canadian Pacific Ticket Agents. W. B. HOWARD, District Passenger Agent, Toronto

BONDHOLDERS AND SHAREHOLDERS CANNOT AGREE

Owners of the Truro Steel Securities to Stand By Liquidation

MEETING—NO VOTE

Holders of Bonds Will Get Back a Substantial Portion of Investment, But Future Very Uncertain

By Special Representative

HALIFAX.—As readers of THE FINANCIAL POST have been made aware from time to time the Truro Steel Company is being liquidated. This is one of many companies which before the war were doing a fair business and which when the call for munitions came was reorganized and capitalized to go on with that work. Truro Steel, because of bad management and for other reasons made a failure of munitions at first, but new management and improved methods brought a change in the last two years and had the war continued for another year matters would have evened up all right for the company. Even as it is the bondholders will get back a substantial portion of their money. Fifteen per cent. has been paid off on the bonds and there is a good asset in the plant.

A meeting of the shareholders was called to see what could be done, but they came to the meeting with suspicion and most of them declined to vote on the proposition. They would vote neither one way or another, but all who spoke said they would not exchange their present bonds for the proposed issue. They announced that they would "sink or swim" with the liquidator.

L. N. Fuller, the promoter of the company was in the chair and he told the meeting in proposing the resolution, which follows: "that so far as he could see its adoption and acting on it, was the only way to get anything for the shareholders." He was not, he said, concerned about the bondholders. Those present, on the other hand, showed they cared nothing for the shareholders but only thought of their bonds. The resolution:

Resolved, that the company issue bonds of par value of sixty thousand dollars, such bonds to be secured by a first mortgage deed of trust of all the real and personal property present and future of the country to such trustees as the directors may determine, to be dated the first day of January, 1919, payable five years after date at par, or redeemable on any interest date at 105 and accrued interest, and to bear interest at the rate of eight per cent. per annum payable semi-annually on the first days of January and July in each year, said mortgage to be in such form and subject to such other terms, conditions and covenants as the directors may approve.

And it is further resolved that the directors be, and they are hereby authorized, to deliver any of the bonds of the proposed issue in exchange for bonds issued under the company's mortgage to secure bonds dated the first day of August, 1915, give new bonds at par for old bonds of the same denomination.

And it is further resolved, that upon the release of said mortgage of the first day of August, 1915, the directors be and they are hereby authorized to sell, assign and hypothecate any book debts, chose in action and liquid assets of the company and any of the bonds to be issued hereunder as security for any loans advances made or to be made the company.

The resolution was put and declared carried by 3,956 for to none against. The votes all came from the platform, and by the time counting was over nearly everybody had left the hall.

The next move is up to those who can float the issue of new bonds.

In the meantime an order has been given by the court postponing the sheriff's sale for one week in order to provide an opportunity for floating the new bonds if found possible.

"P.A." BOARD OF TRADE

Officers Elected at the Annual Meeting Recently

PRINCE ALBERT.—At the annual meeting of the Prince Albert Board of Trade, E. A. Fox was elected president and H. M. Hueston, vice-president. The following members will constitute the council: A. L. Mattes, G. H. Carr, W. T. Stephen, J. S. Fowlie, A McL. Mathieson, G. W. Benton, Geo. Milne, Robt. Young, J. P. M. Sibbald, N. W. Morton, E. T. Bagshaw, W. M. Sellens, H. H. Ittner, H. Finkleman, Henry Lacroix, Dr. MacMillan, J. W. McDiarmid, O. B. Manville, J. E. Arpin, Louis Campbell, C. F. Clare.

DETROIT UNITED

President Brooks has issued a circular to shareholders of the Detroit United railway, in which he points out that Mayor Couzens of the City of Detroit and his administration, have reopened the negotiations looking to the purchase of the property now within the corporate boundaries of the City of Detroit, and also some trackage outside the city, namely, an extension of the East Jefferson line to the Country Club, an extension of the West Jefferson line to Trenated in connection with the city service. Mr. Brooks points out further that it is the intention of the Mayor to submit to the electors at the approaching April election their plan for acquiring the property referred to, including the price to be paid therefor, and terms and method of payment. In view of the above a special meeting of shareholders is called for February 17.

Imperial Munitions Board
Offer For Sale
PLANT AND EQUIPMENT (IN PART) OF
British Cordite Co., Ltd., Nobel, Ont.

TENDERS, accompanied by marked cheque for 5% of the amount of the bid, will be received by the undersigned up to and including February 20th, 1919, for the purchase of the following, located at Nobel, Ontario:—

ITEM NO. 1. POWER HOUSE.—Building of steel frame construction on concrete foundations.

Boiler-room Equipment.—10-400 H.P. Wickes, vertical, water tube boilers, equipped with Murphy Automatic Stokers and 2-1 ton coal-weighing lorries.

Ash Handling System—American Steam Jet Ash Conveyor.

Power-House Equipment.—3 Turbo Generators, 3 phase, 2200 volt, 60 cycle; 1-750 K.W. Allis Chalmers; 1-500 K.W. General Electric; 1-1000 K.W. Westinghouse-Parsons, complete with Westinghouse LeBlanc Jet Condenser and 80 H.P. Sturtevant Turbine direct connected to Booster Pump; 1-25 K.W. Westinghouse-Turbo Exciter Set, 125 volt; 1-25 K.W. Canadian Fairbanks-Morse Motor Exciter Set, 550-volt motor, 125-volt generator; 1-30 K.V.A. constant current transformer.

Switchboard—11 panels fully equipped, 1-10 K.V.A., 2200-110 volts and 3-40 K.V.A., 2200-550 volts, Pittsburgh Transformers; 2-18 x 10 x 12 Worthington Fire Pumps; 2-14 x 22 x 14 x 16 Ingersoll-Rand Air Compressors; 2-No. 785 Cochrane feed water heaters; 4 Alberger heaters; 2 Frick Ammonia Compressors, 30 and 70-ton capacity; 2 4" Goulds Centrifugal Pumps, direct connected to 15 H.P. motors; 4 1¼ x 8 and 2 5¼ x 8 Deane Single Acting Triplex Pumps, belt driven; 1 42 x 10½ x 48 Hydraulic Pnuematic Accumulator.

ITEM NO. 2. PUMPING STATION.—Equipment.—6-9 x 12 Aldrich Triplex Pumps, directly connected to 40 H.P. Canadian Fairbanks-Morse, 550 volt, 40 amp., 60 cycle, 3-phase motor, with starting compensators and switch boxes; capacity 500 gallons per minute; 3-75 K.V.A., 2200-550 volts and 1-550-100 volts Pittsburgh Transformers.

ITEM NO. 3. MACHINE TOOLS.—18" Engine Lathe; 20" Drill Press; No. 4 Power Saw; Keyway Cutter; 16" Stroke Shaper; 10" Emery Wheel Stand; No. 34 Little Giant Screwing Machine with taps and dies.

ITEM NO. 4. TANKS.—Steel Horizontal—33—6' to 20' diameter. Steel Vertical—41—3' to 8' diameter.

ITEM NO. 5. STOVES.—7 Nos. 41 and 42 Quebec Heaters, 5 Oxford Ranges and 16 Oil Stoves.

ITEM NO. 6. STEEL CANS.—12,900 Steel Cans, with lugs and lids, 11½" x 12" x 3-32".

ITEM NO. 7. COTTAGES. — 15 Cottages, frame construction, 20' x 34'.

ITEM NO. 8. PRESSES.—8 Dehydrating Presses (Hydraulic).

ITEM NO. 9. PUMPS.—8 Gardner Duplex Pumps, 7" x 3½" x 10".

ITEM NO. 10. WRINGERS.—20 Centrifugal Wringers 24".

ITEM NO. 11. STOCK DRYERS.—3 Sargent (Stock Dryers).

ITEM NO. 12. PICKER MACHINES.—3 Davis and Furber Picker Machines 36".

ITEM NO. 13. KNEADERS.—52 Kneader Machines.

ITEM NO. 14. PRESSES.—19 Darling Presses (Hydraulic). 22 Inglis Presses (Hydraulic).

ITEM NO. 15. PUMPS.—46 Hydraulic Triplex Worthington Pumps, 1 x 4 for 2,000 pounds pressure.

ITEM NO. 16. PUMPS.—10 Vertical Triplex Single Acting, belt driven Worthington Pumps, 3½" x 6" for 250 pounds Pressure.

ITEM NO. 17. PUMPS.—6 Aldrich Pumps, Vertical, Triplex, Back plunger of the solid water end type, double reduction, direct geared for 900 R.P.M. Motor, 9" x 12", Cap. 500 G.P.M., lift 150'.

ITEM NO. 18. BELTING.—A quantity of leather and rubber belting.

Tenders for these items in whole or in part will be considered. The owner will dismantle and load on cars; bids are to be made on this basis. Intending purchasers will be given every facility to inspect the buildings and equipment. Complete information may be obtained from the undersigned.

The highest or any tender not necessarily accepted.

Cheques from unsuccessful bidders will be promptly returned.

R. HOME SMITH
AGENT IMPERIAL MUNITIONS BOARD
18 KING STREET WEST, TORONTO, ONT.
Phone, Ad. 1590.

Sale of Pulpwood Lands
in Northern Ontario

The Lake Superior Corporation and Algoma Eastern Railway Company are open to negotiate for the disposal of certain lands

Approximately 682,000 Acres

situated for the most part in that section of Northern Ontario known as the Clay Belt, and comprising the Townships of Storey, Langemarck, Dowsley, Nassau, Shetland, Staunton, Orkney, Magladery, Caithness, Rykert, Doherty, Whigham, Coppell, Newton, Dale, McOwen, Frater.

The lands in question are accessible to the Algoma Central, Trans-Continental, Canadian Northern, and Canadian Pacific Railways, and should be of particular interest to pulp and paper makers, also to settlers, in view of their agricultural possibilities.

General information will be furnished and plans exhibited at the office of Mr. Alex. Taylor, secretary of the Lake Superior Corporation, 1428 Bank of Hamilton Building, Toronto, or at the office of Mr. G. A. Montgomery, vice-president of the Algoma Eastern Railway Company, Sault Ste. Marie, Ont.

The Ontario Loan and Debenture Co.

The Forty-eighth Annual General Meeting of the shareholders of this Company was held on Wednesday afternoon. 12th instant, at the Company's Offices, London, Ontario.

The chair having been taken by the President, Mr. John McClary, the Manager, Mr. A. M. Smart, who acted as Secretary, read the notice calling the meeting and the minutes of the last Annual Meeting, which, upon motion, were confirmed.

The Annual Report was then presented, as follows:

London, Canada, 25th January, 1919.

To the Shareholders:—

The Directors take pleasure in presenting herewith their Annual Report of the affairs of the Company.

The demand for Mortgage Loans has been very moderate throughout the year past, and partly in consequence of this it has been possible to further add to the amount of investments in Bonds, more especially in those of the Dominion of Canada. With the close of the War an augmented agricultural development may be looked for, in which your Company anticipates being of service in furthering the necessary increased production, so vital to the welfare of the country.

The Revenue Account, details of which are herewith, shows that after payment of Provincial and Municipal Taxes, Expenses, Charges, and provision for all Interest, Losses and possible contingencies, your Company's

Net earnings for the year 1918 are		$ 267,765.91
Balance brought forward from previous year		50,703.55
From this Total available		$ 318,469.46
Dividends (Quarterly) at the rate of 9% per annum have been paid	$157,500.00	
Transferred to the Reserve Fund	100,000.00	
		$ 257,500.00
Balance		$ 60,969.46
Grant to the Canadian Patriotic and Red Cross combined Fund	$ 3,000.00	
Dominion Government Income War Tax	14,027.41	
		$ 17,027.41
Balance carried forward		$ 43,942.05

A continuous audit of the Accounts and transactions of the Company has been made, and the Certificate of the Auditors is appended to the Financial Statement which is presented herewith.

Your directors desire to record the sense of their profound regret at the loss by the death during the past year of Mr. Thomas H. Smallman, a co-director, who always took the keenest interest in the welfare of your Company.

Your Directors desire to most cordially acknowledge the care and attention to the Company's business rendered by the Agents in Great Britain and to bear testimony to the zeal and efficiency with which the Officials and Staff of the Company have discharged their respective duties.

All of which is respectfully submitted.

JOHN McCLARY, President.

Financial Statement

REVENUE ACCOUNT

Dr.		Cr.	
Interest on Sterling Debentures	$ 64,519.64	Balance from last year	$ 50,703.55
" Currency Debentures	53,097.91	Interest earned on Mortgages and Bonds, and other Revenue	478,250.98
" Deposits	29,313.04		
Taxes, Provincial and Municipal	7,671.11		
Expenses connected with Debentures	4,112.92		
Commissions and Expenses in connection with Loans	13,763.79		
Expenses of Management	38,006.66		
Dividends to Shareholders (9% per annum)	157,500.00		
Transferred to Reserve Fund	100,000.00		
Grant to Canadian Patriotic and Red Cross combined Fund	3,000.00		
Dominion Government Income War Tax	14,027.41		
Balance carried forward	43,942.05		
	$528,954.53		$528,954.53

LIABILITIES			ASSETS		
To the Public:			Mortgages, etc., on Real Estate	$5,214,704.93	
Sterling Debentures	$1,365,387.82		Less amount retained to pay prior mortgages	6,727.86	
Currency Debentures	1,027,320.55				$5,207,977.07
Interest accrued on Debentures	31,351.53		Government Bonds, Municipal Debentures and Stocks owned		1,422,794.48
Deposits	825,413.79		Loans secured by Stocks and Debentures		106,501.50
		$3,249,473.69	Loans secured by this Company's Stock		369.56
To the Shareholders:			Real Estate foreclosed or brought to sale		106,720.92
Capital Stock (subscribed, $2,500,000) paid up	$1,750,000.00		Office premises (freehold)		57,000.00
Reserve Fund	2,050,000.00		Cash with Banks in Great Britain		73,426.97
Dividend No. 126 (since paid)	39,375.00		Cash with Banks in Canada		158,000.24
Balance at Credit of Revenue Account	49,942.05				
		$3,888,317.05			
		$7,132,790.74			$7,132,790.74

A. M. SMART, Manager.

To the Shareholders of The Ontario Loan and Debenture Company:

We hereby certify that we have audited the books and accounts of The Ontario Loan & Debenture Company for the year 1918, including a monthly cash audit and the verification of the entries and balances in all of the Company's books, and we find the whole correct. We have also examined the securities and find them in order.

All our requirements as Auditors have been complied with and in our opinion the above statements are properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, as shown by its books.

F. G. JEWELL, C.A.
J. F. KERN
Auditors.

London, Ontario, 25th January, 1919.

Upon motion by Mr. John McClary, seconded by Mr. A. M. Smart, the Annual Report was adopted.

A resolution confirming the action of the Directors in subscribing $3,000.00 in 1918 to the Canadian Patriotic and Red Cross joint fund, and $1,500.00 in 1919 to the Canadian Red Cross fund was passed.

The Scrutineers were then appointed and the election of Directors proceeded with, Messrs. John McClary, A. M. Smart, Lieut.-Col. William M. Gartshore, John M. Dillon, M. Masuret, C. R. Somerville and J. G. Richter being re-elected for the ensuing year.

It was moved by Prof. J. H. Bowman, seconded by Mr. James T. Moses, that Messrs. Frank G. Jewell, C.A., and John F. Kern be and are hereby re-elected Auditors of the Company. Carried.

The meeting then adjourned and at a meeting of the Board of Directors held subsequently, Mr. John McClary was re-elected President and Mr. A. M. Smart, Vice-President of the Company.

A RECOVERY OF PROFITS BY UNION TRUST COMPANY

Effect of "Sail-trimming" Indicated by Year's Results

ASSETS READJUSTED

Settlement With An Insurance Society Was Effected During Year—Withdrawals For Victory Loan

With continued curtailment of operating expenses through concentration of facilities following a general sail-trimming to meet conditions accompanying the war the Union Trust Company was able to show a substantial increase in profits for 1918. The gross receipts for the year amounted to $529,150.89, and the expenses to $127,663.34, leaving a balance of $411,487.53, out of which was paid interest on borrowed capital $300,261.51, leaving net profits for the year $111,226.04, being an increase of $12,779.40 over amount of the next profits for the preceding year. The Company paid $70,000 in dividends, contributed $2,175 to the Patriotic Fund, Y.M.C.A. and Catholic Huts Overseas Service, and the Navy League. The taxes paid out in cash for the year totalled $10,688.17, being an increase of $4,259.29—a striking example of how heavy a charge the war has laid upon all companies. Comparative figures for three years follow:

	1918	1917	1916
Profits	$111,226	$ 98,446	$127,445
Balance ford.	15,702	36,531	41,336
	$126,927	$134,977	$168,781
Distribution—			
Dividends	$ 70,000	$ 85,000	$100,000
Depreciation	.....	.....	30,000
Taxes	10,688	2,250	.....
Patriotic	2,175	2,250	2,250
Reserve	.....	27,765	.....
Balance	44,065	15,703	36,531
	$126,927	$134,977	$168,781

The company's total assets at the end of the year amounted to $12,863,538.73, including the assets of estates and agencies in the hands of the company, as executors, trustees, and agents. The total of the capital and guaranteed assets amounted to $6,760,051.96. Following are comparative figures:

	Capital Account	Guar. Invest. Account	Estates etc.
1918	$1,542,032	$5,218,020	$6,103,486
1917	1,572,547	7,661,882	6,031,762
1916	2,042,956	7,487,561	5,660,827
1915	2,041,346	7,449,135	5,022,224
1914	2,014,370	7,386,827	4,982,787

The mortgages represent 35.47 per cent. of the valuations of the several properties held as security, and the average rate of interest earned on all the mortgages was 7.192 per cent. Of the total amount of interest which fell due in the year 92.216 per cent. of the total was collected within the year.

The Company revalued all of the real estate owned, and the combined valuations exceed the values at which the several properties are held in the Company's books by no less a sum than $259,940.42.

The total assets of the company are $2,402,653.49 less than they were last year. At first this may seem to be unusual, but it may be viewed favorably in as much as the Company's liabilities to the public have been reduced by this amount. During the year an investment contract with one of the largest customers of the company, an insurance society, was adjusted and renewed, when nearly $1,700,000 was returned to the society in securities. The public withdrew from the Trust Savings Accounts, for the purpose of investing in Canadian Victory Loans, considerable over $300,000, and English investors withdrew nearly $125,000 for investment in war securities. The assets representing the agency business in the company's hands, were carefully gone over for the purpose of including them on a sound valuation basis in the statement. This resulted in a reduction of the figures expressing the amount of the agencies in the company's hands. Notwithstanding the amount of the estates and agencies appears to have increased by only $71,723.99, the actual increase of new estates and trusts business during the year was $519,677.82.

It was pointed out at the annual meeting that no less than nineteen members of the head office staff had enlisted, that nine of these became casualties, of whom six were killed in action. The directors and officers were re-elected, satisfaction being expressed with the showing made as indicated by the report.

MEXICO'S OIL

Production of 67,000,000 Barrels Last Year

WASHINGTON.—The Petroleum Commission of the Mexican Government has given out statistics covering the production of petroleum since 1901. They show that whereas during the first year reported there were produced only 10,345 barrels, last year estimated production was 67,000,000 barrels.

Geological conditions indicate that the oil industry in Mexico is still in its infancy and that petroleum fields of greater importance than those now producing will yet be discovered. So far as exploratory drilling is concerned, the oil regions in that country have scarcely been scratched. It is stated that not more than 1,000 wells have been drilled since the earliest attempts to discover petroleum, and that the amount of oil now being shipped is produced from approximately 350 wells.

BETTER CONDITIONS IN LOANING FIELD

Indicated by Annual Report of London and Canadian Loan and Agency

The annual statement of the London and Canadian Loan and Agency Co. shows a decreasing influence of war conditions upon loans and profits and now that the conflict has been brought to a victorious end an improvement may be looked for. The contraction in loans was small, the total of $4,272,143 comparing with $4,285,997 in the previous report, a decrease of only $13,854; at the end of 1914 the total was $4,859,957. Earnings of $341,499 compared with $348,345 in 1917 and $383,931 for 1914. Comparative figures showing the manner of distribution for the past three years follow:

Distribution of Profits

	1918	1917	1916
Gross earn.	$341,499	$348,345	$359,080
Bal. ford.	21,997	8,018	23,734
	$363,496	$356,363	$382,814
Distribution—			
Management	$ 22,315	$ 20,386	$ 20,491
Agency exp.	26,905	23,423	25,433
Interest	128,132	129,339	133,123
Red Cross	2,500	3,010	2,950
Dividends	100,000	100,000	100,000
Taxes	8,663	8,208	17,799
Rest	50,000	50,000	75,000
Balance	24,981	21,997	8,018
	$363,496	$356,363	$382,814

The following summary gives outstanding features of the earnings record for the past seven years:

Seven Years' Earnings

	Gross Earnings	†Net Profit	*% Earned	% of Cap.
1918	$341,499	$152,984	7.2	12.7
1917	34T,345	163,979	7.9	13.1
1916	359,080	159,284	8.0	12.7
1915	374,129	188,361	9.8	14.7
1914	366,102	177,546	9.6	14.2
1913	351,056	169,061	9.8	13.9
1912	325,891	140,384	9.9	14.0

†After deduction of provincial, municipal and war tax and expenses.

*Earned on capital, reserve and balane at credit of profit and loss.

The balance sheet shows practically no change in the company's total assets, the figures of 1918 at $4,855,958 comparing with $4,855,944 for 1917. The reduction of $13,854 in loans referred to was accompanied by a contraction in cash holdings from $233,419 to $131,901 or $91,518, the total being counterbalanced by an increase in War Loan and other bonds from $329,018 to $443,119. On the other side the increase in rest and balance was offset by a reduction of debenture liability from $2,231,307 to $2,185,818.

HURON AND ERIE STOCK ADJUSTMENT

Par Value to be Increased to $100 With Consent of Shareholders

At the special general meeting of the Huron and Erie shareholders, held subsequently to the regular meeting, it was unanimously decided after a full explanation having been given by the president, T. G. Meredith, to increase the par value of the corporation's shares to $100 each.

The directors were re-elected as follows: T. G. Meredith, K.C., president; Hume Cronyn, first vice-president; F. E. Leonard, second vice-president; George T. Brown, H. E. Gates, F. R. Eccles, M.D., LL.D.,; A. H. M. Graydon, Robert Fox and Philip Pocock.

At the Canada Trust annual meeting, President Meredith referred to the proposed opening of offices for that company and the Huron and Erie in Toronto. He said:

"It is interesting to note that when our new Toronto Branch is in operation the Company will have in Canada eight active branches, viz.: London (two branches), St. Thomas, Windsor, Toronto, Winnipeg, Regina and Edmonton. This widespread connection at the command of the Canada Trust Company's clients is worthy of emphasis. Because of these branches established throughout the most important Provinces of our Dominion every estate in our care is afforded a comprehensive and valuable service at no greater cost than if there were no branches in existence."

Directors of The Canada Trust for the ensuing year were elected as follows: T. G. Meredith, K.C., president; F. R. Eccles, M.D., and George Brown, vice-presidents; H. S. Blackburn, Isaac Campbell, K.C., E. P. Clement, K.C., John Cowan, K.C., V. Cronyn K.C., Hume Cronyn, H. E. Gates, A. H. M. Graydon, H. R. Howden, F. E. Leonard, The Hon. F. G. MacDiarmid, J. B. McKillop, R. O. McCulloch and Philip Pocock.

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Perhaps you are so close to your business problems that their solution escapes you. Call in a firm of Industrial Advisors who are meeting and solving similar problems every day. Leaks seriously hamper the success of your business. Ask us to help you to locate and stop them.

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A Trust Company as Executor

CONTINUITY OF SERVICE

A Trust Company never dies, never becomes incapable from old age or sickness and efficiently discharges the duties entrusted to its care. It is never "out of town" when important matters require attention.

A Trust Company is always in a position to give all the attention required to properly discharge its duties. As a Trust Company is certain of surviving the longest trusts, there is no fear of the administration passing into the hands of a less capable Executor.

Appoint this Company your executor.

Montreal Trust Company
Sir Herbert S. Holt, President A. J. Brown, K.C., Vice-Pres.
TORONTO OFFICE: ROYAL BANK BUILDING
J. F. HOBKIRK, Manager

YOUR MONEY CAN EARN 5½%
WITH ABSOLUTE SAFETY

$100 invested at 5½% doubles itself in less than 13 years.
$100 saved at 3% takes 23½ years to do the same thing.

It would be foolish to invest your money at only 3% when you can secure 5½% with equal safety and convenience. It would also be equally foolish to endanger your savings in order to secure a slightly higher rate of interest. But your money CAN earn 5½%, without risk of loss, by investing it in

STANDARD RELIANCE
5½% MORTGAGE CORPORATION DEBENTURES

Thousands of people have invested their savings in these debentures without the loss of a dollar invested.

The debentures are issued in sums of $100 and upwards, and the interest is paid in cash on the day it is due.

Write for our booklet entitled "Profits from Savings." It explains what these Debentures are and why they are so good a security.

Paid up Capital and Surplus Funds - - $3,362,378.63

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HEAD OFFICE—TORONTO
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CORPORATION
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Short date preferred. Wire quantity and price.
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Capital Paid up $566,220.32
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Authorized Capital - - $2,000,000.00
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General Fire Insurance Business Transacted
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EXECUTOR, ADMINISTRATOR, ASSIGNEE, TRUSTEE, ETC.
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MONEY, BANKING AND EXCHANGE

BANK CLEARINGS WELL AHEAD OF PREVIOUS YEAR

Only Five Cities Out of a Total of Twenty-five Report Lower Returns

DOMINION GAIN, 38%

Toronto Shows a Gain of 80.8% and Montreal 47.7%—Winnipeg Reports Decline

Returns from the various bank clearing points throughout the Dominion for the week ending Thursday last show a total of $225,309,373, against $185,195,396 for the corresponding period a year ago and $256,583,845 for the previous week. The gain over last year's figures is $70,113,977 or 37.8 per cent. In the East the total is $195,923,470, a gain of $73,881,780, or 60.5 per cent., while in the West there is a falling-off of $3,767,803. Winnipeg, Calgary, Saskatoon, Brandon and Medicine Hat are the only cities to report a decline. Winnipeg with clearings amounting to 31,048,941 shows a decline of $5,333,360. Toronto with a total of $77,954,464 shows a gain of 80.8 per cent Montreal with clearings at $90,309,209 reports a gain of 47.7 per cent. The largest percentage increase is shown by Sherbrooke with a total of $798,133, a gain of 92.2 per cent. Following are comparative figures:

WEEKLY BANK CLEARINGS
(In comparison with same week last year)
Eastern Cities

	Feb. 13, '19	Change	%
Montreal .. ..$	90,309,209+	$29,242,779	47.7
Toronto	77,954,464+	34,829,626	80.8
Ottawa	6,111,349+	2,419,383	65.5
Hamilton	4,564,067+	1,229,616	36.8
Quebec	4,402,973+	1,991,921	82.6
Halifax	4,366,224+	1,237,134	39.6
London	2,548,978+	1,003,401	65.1
St. John	2,722,240+	889,328	48.5
Brantford	872,989+	188,098	27.6
Peterboro .. .	637,866+	174,634	37.9
Sherbrooke ..	798,133+	378,510	92.3
Kitchener . ..	635,078+	297,349	88.2
Total, East ..$	195,923,470+	$73,881,780	60.5
Windsor . ..	1,021,215		

Western Cities

	Feb. 13, '19	Change	%
Winnipeg . ..$	31,048,941—	$ 5,333,360	14.6
Vancouver . ..	10,045,752+	1,328,093	15.2
Calgary	4,817,373—	1,300,644	21.2
Edmonton ...	3,473,095+	601,992	21.4
Victoria	2,069,458+	397,197	23.7
Regina	2,679,164+	143,253	5.7
Saskatoon	1,352,025—	26,262	2.0
Moose Jaw . .	1,367,148+	360,857	36.0
Ft. William ..	588,735+	78,606	15.4
Brandon	472,721—	21,771	4.4
Lethbridge ...	568,898+	10,957	1.9
N. Westminster	593,667+	192,223	47.8
Medicine Hat .	308,926—	198,944	39.7
Total, West ..$	59,385,903—	$ 3,767,803	5.9
Grd. Total ...$	225,309,375+	$70,113,977	37.8
Yr. to date ..$	1,645,130,833+	258,483,194	18.7
Prince Albert.	313,857		

EXCHANGE

It has been a quiet and uninteresting week so far as dealings in New York funds are concerned. There has been little change in the premium rate, which has held just below the 2 per cent. level. Good buying develops on each recession but the market is narrow.

February 7.—Funds opened at 1 63-64 bid and asked and sold at 1 31-32 to the buyer.

February 8.—Market quiet at 1 31-32 to the buyer.

February 10.—Market still quiet and unchanged.

February 11.—Funds at 1 15-16 to the seller all day.

February 12.—1 15-16 to the seller, the ruling rate.

February 13.—1 15-16 throughout the day.

February 14.—Funds a little firmer at 1 31-32 to the buyer.

There has been little change in sterling. Demand opened at 4.75 13-16, rose to 4.7580 and closed at 4.75¾. Cables moved from 4.76 9-16 to 4.7655 to 4.47½ and to 4.45.

Francs have been steady. Cheques opened at 5.45⅝, with cables at 5.45 and closed slightly weaker at 5.45¾ and 5.45⅛ respectively.

MONTREAL

It is announced that the Bank of Montreal will open a new branch at the corner of St. Clair Ave. and St. Clair Gardens.

ROYAL

The Royal Bank of Canada has a new branch in the Island of Martinique, at Fort de France.

H. V. Maynard, of the Hamilton branch of the Royal Bank, has recently been transferred to Toronto and will be in charge of the Spadina and College street branch.

IMPERIAL

The Imperial Bank of Canada has opened a branch at Canwood, Sask.

OTTAWA

Miss M. Devine, of the North Bay branch of the Bank of Ottawa, has been transferred to the branch at Cobalt.

COMMERCE

A branch of the Canadian Bank of Commerce will shortly be opened on the northeast corner of Greenwood and Danforth Avenues, for which a site has been secured.

Branches of the Canadian Bank of Commerce have been opened at the following points: Capreol, Ont., sub-agency to Sudbury; Berthierville, Que., J. L. Rousseau in charge; Baden, Ont., W. H. Collins, manager; Gottingen Street, Halifax, H. McEwan manager; Quinpool Road, Halifax, W. K. Phillips manager; South Barrington Street, Halifax, A. G. Shatford manager; Campden, Ont., sub-agency to Beamsville; Gananoque, Ont., A. B. Laird in temporary charge; Grand Bank, Nfld., P. H. Hamon in charge; Fairbank, Ont., J. B. How in temporary charge.

HAMILTON

A branch of the Bank of Hamilton has been opened at Enchant, Alta., in charge of D. Towers, who has been appointed manager.

MERCHANTS

F. J. McCallum, of the Perth branch of the Merchants Bank, has been transferred to the branch at Arnprior as teller-accountant.

STANDARD

County Judge Deroche, of Belleville, recently gave judgment against the Standard Bank in two interesting cheque cases—results of the failure of the Farmers' Bank.

Two Sidney farmers, David Hall and Virgil Hall, sold a right-of-way across their farms to the Canadian Northern Railway, for whom W. C. Mikel, K.C., acted as solicitor, and passed a few titles. The railway cheques for $350 and $675 were made payable to the vendors, and W. C. Mikel. When the title was completed the cheques, under the instructions of the solicitor, were endorsed by the vendors and deposited by Mr. Mikel in the Farmers' Bank, and Mr. Mikel issued cheques for the amounts to the vendors after banking hours, December 17, 1910, to enable the Halls to get the money that evening.

The Halls, although in the Farmers' Bank at the time, changed their minds and decided not to take the cash for the cheques, although the money was waiting for them. They took Mr. Mikel's cheques to the Standard Bank, and deposited them there, alleging that they were induced to refuse the money at the Farmers' Bank and take the cheques to the Standard by reason of the conversation with the Standard manager.

The Farmers' Bank failed and closed its doors at Belleville the afternoon of December 19 following, before the Standard had presented Mr. Mikel's cheques. The Standard Bank brought action against the two Halls, and Mr. Mikel was made a third party.

Judge Deroche holds that the cheques were not presented within reasonable time, and dismissed the plaintiffs' claim with costs. The Standard Bank will now, under the Bank Act, be a creditor of the Farmers' Bank for the amount of the cheques, and Mr. Mikel is relieved from paying the same.

HOME

During the present month the Home Bank of Canada has opened sub-branch offices at Rosemount and Walkers, Ont.

BANK COMPETITION SEEN AT ARNPRIOR

One Bank Was on Ground at Nine o'Clock Day Merger Was Announced

When the announcement of the proposed merger of the Bank of Nova Scotia and the Bank of Hamilton came there was probably no community more interested than Arnprior. It had branches of both institutions and no other bank branches. This was the only point in Canada outside of the larger centres where both banks had located.

The news of the merger was carried by the morning papers on Monday, January 20th. A staff official of one of the most progressive of the big banks noting it on the way to the office was at once interested. He had formerly been a Bank of Ottawa man and he knew of the situation at Arnprior.

When this official got to the office he immediately took the matter up with his chief. The wheels were set in motion—and they did not need oiling. Within a couple of hours, action had been taken to get in on the ground.

But it was too late. By noon on that Monday at least three of the banks were "on the job." The one which got in on the ground floor had evidently received a tip a few hours in advance—probably Sunday night. The manager of the branch at Renfrew arrived by first train, and by nine o'clock in the morning was looking for business.

Before banking hours on the day of the announcement of the merger negotiations a new bank was in the field; three had looked the situation over by noon.

Is competition being eliminated in Canadian banking? Arnprior can answer.

BANK OF ENGLAND

London, Feb. 13.—The weekly statement of the Bank of England shows the following changes:

Total reserve, increased.......	£ 329,000
Circulation, decreased	154,000
Bullion, increased	175,450
Other securities, decreased....	172,000
Public deposits, decreased.....	2,563,000
Other deposits, increased......	4,564,000
Notes reserve, increased	264,000
Government securities, inc....	1,841,000

The proportion of the bank's reserve to liability this week is 20.40 per cent.; last week it was 20.45 per cent.

Rate of discount, 5 per cent.

STEADY GROWTH OF MONTREAL C. & D. BK.

Net Earnings Over $12,000 Ahead—Deposits Exceed $33,000,000

The Montreal City and District Savings Bank showed a much larger increase in net earnings for the year ending Dec. 31, 1918, than the previous year, the total rising from $222,189 to $234,642, an increase of $12,453, as compared with a little less than $1,000 increase for the previous year. This is in keeping with the trend of bank developments, with the rapid growth of business in the past year or so. The City and District continued the course it adopted early in the war of increasing its holdings of Government securities in order to assist in financing the war outlays, and n the past year these grew from $5,635,633 to $7,254,410, an increase of $1,618,777. The figures are the more marked when those of $761,069 for 1915 are considered. The confidence of the public in this bank, which, with its fifteen branches, confines its business mainly to the Island of Montreal, and is pre-eminently a savings bank, is seen to be extending steadily, as the deposits bearing interest have increased from $29,078,393 in 1915 to $32,098,708 in 1916, $32,956,769 in 1917, and at the end of 1918 amounted to $33,808,573. In addition there were special deposits without interest amounting to $3,484,033.

Out of the net profits this year there was deducted $190,722 for dividends, and $14,000 for patriotic and other contributions, which, with the balance on hand of $214,023 from last year, left a balance to carry forward of $243,942, an increase of $27,919 over last year's. The following are the comparative figures for the past three years:—

Profit and Loss

	1918	1917	1916
Net profits	$234,642	$222,189	$221,756
Prev. bal.	214,023	172,308	121,551
Total available....	$448,665	$396,698	$343,308
Deduct—			
Dividends	$190,722	$165,675	$160,000
Patr. fds.	14,000	15,000	11,000
Balance	$243,942	$216,023	$172,308

During the year the bank greatly improved its position in regard to liquid assets, the proportion to the total assets, according to THE FINANCIAL POST'S analysis, increased from 30.9 per cent. to 38.5 per cent., the figure in 1916 being only 27.7 per cent. There was an even greater increase in relation to liabilities to the public, the percentage growing from 29.5 in 1916 to 33.5 in 1917 and 41.6 per cent. in 1918. The following are the details of this analysis:

Immediately Available Liquid Assets

	1918	1917	Change
Specie	$8,586,768	$5,614,346+	$2,972,422
Govt. bonds..	7,254,410	5,635,633+	1,618,777
Total	$15,841,178	$11,249,979+	$4,591,199
% total assets	38.5	30.9+	7.6
% total liab. to pub. ...	41.6	33.5+	8.1
Other Assets			
Call and short loans	$7,591,108	$7,776,755—	$ 185,647
Public sec. .	15,118,460	14,956,589+	171,771
Other sec. .	1,697,403	1,730,905—	33,502
Prem and other assets	930,070	614,950+	315,120
Total assets.	$41,178,119	$36,329,178	$4,848,941
Liabilities to the Public			
Due depos...	$33,808,573	$32,956,769+	$ 851,804
Other lia. ..	4,294,503	608,386+	3,686,117
Total	$38,103,076	$33,565,155	$4,537,921
Liabilities to Shareholders			
Capital	$ 1,481,100	$1,200,000+	$ 281,100
Reserve	1,350,000	1,350,000	....
Pro. and loss	243,942	214,023+	29,919
	$ 3,075,042	$ 2,764,023+	$ 311,019
Grand Total.	$41,178,119	$36,329,178	$4,848,941

At the annual meeting this week the directors were re-elected, Hon. Raoul Dandurand being chosen again as president, and Richard Bolton as vice-president. A. P. Lesperance is the general manager of the Bank. During the year, Zephirin Hebert had been chosen to fill the vacancy caused by the death of Sir Evariste LeBlanc, and he was re-elected to the Board.

DOMINION FINANCES

OTTAWA.—Financial operations of the Dominion Government for the year will show for reduction of war expenditure the largest surplus of the war period. Revenues have been extraordinarily heavy. For the ten months of the fiscal year ending January 31, current revenues were more than $40,000,000 higher than in the corresponding period of the previous fiscal year.

During the ten months ending January 31, 1919, revenues and expenditure, less war expenditure, but including pensions, were:

Current expenses	$161,866,658
Capital expenditure, less war	12,889,550
Total expenditure, less war	174,736,208
Current revenue	249,072,657
Surplus of current revenue over total expenditure, less war	74,336,449

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Secretary, J. B. Adshead.
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Wm. Wallace, Manager.
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POSITION OF RUSSIAN SECURITIES

Not at All Likely That Allied Governments Will Permit Loans to go by Default

The situation as regards Russian securities held in the United States and Canada is explained to a certain extent by the "Wall Street Journal" which states in a recent issue that an American banker has sailed for Europe to discuss the paying off the $50,000,000, 6½ per cent., three-year Russian credit due June 18 next.

"Before sailing," comments the *Journal*, "this banker stated that default in this issue would make it extremely difficult for Russia for a long time to come to borrow money in this country and it is to this country, he stated, that Russia must eventually look for funds with which to rehabilitate herself.

"Bankers are however not informed on the intentions of the United States Government concerning the maturity of these bonds for the Government has not been in the habit of divulging its intentions in advance. It has, however, always seen to it that funds were promptly deposited in New York with which to pay the interest. The last payment of interest was made January 10 last.

"The disposition of the Russian question to be made at the Peace Conference will have a considerable interest for the holders of these bonds although the opinion is pretty generally held that our own Government or the Governments of the Allies will not allow a default. The maturing $50,000,000 bonds and another issue of $25,000,000, maturing December 21, 1920, are the only short term obligations outstanding against the old Russian Government. All of its other obligations are long term issues.

"According to the National City Co.'s circular issued at the time these bonds were brought out, the principal and interest are payable in dollars in New York. The credit was limited to $50,000,000 and the proceeds are "to be expended in the United States."

"When affairs in Russia turned upside down, there was an unexpended balance of approximately $130,000,000 in this country to the credit of the Russian Government, and it is said that it is from this fund that the interest on these bonds has been forthcoming. It is from this, also, that it is expected the money will be drawn with which to pay off the principal of the bonds on June 18 next."

U. S. investments in Canada are estimated at $1,272,850,000, or more than double the pre-war figure.

NEWS AND VIEWS FOR MANAGERS

TAKING STEPS TO PROVIDE AGAINST THE 1000TH CASE

Montreal Forgeries Provide Lessons in Catching Smooth Crooks

AN EX-BANK MAN

This Forger Thoroughly Understood Routine of Canadian Banking System—Used an "Accepted" Stamp

The arrest and trial in Montreal of a man under the name of George Louis Taillon, charged with obtaining money under false pretences, with forgery and with passing worthless cheques—on live banks, as well as express companies, jewelry and other firms,—continues to excite a keen interest in banking circles, and I am returning to the case this week, with the additional evidence that the preliminary hearing before the court on Tuesday last afforded, because it would appear to be one of the best object lessons for greater care in the future. The banks were swindled because the letter of their rules was violated; that is not to say that in the future this will not be done again, for the situation often is a very difficult one, but it would be a good thing for the manager to take up this instance with his staff, and impress on them the weakness in the way the swindled banks dealt with the situation.

It must be remembered, as a former manager of a big city branch, who has "gone up higher," on head office staff, said in discussing the case with me this week: "The man who put across these schemes was an ex-bank man, who worked in Montreal and Ottawa, and knew the ropes thoroughly. Moreover he was one of the smoothest and nerviest crooks the banks have had to deal with. You don't often meet a man who will coolly hand an express official a cigar after he had swindled him out of $500 or more. He is indeed a case I should say in 999, and the teller or the manager who cashed a cheque marked 'Accepted' as these were, would never have lost a cent in most cases, but of course it is just this thousandth case that we must provide for. That game of getting a rubber stamp to forge the "acceptance' of a special bank branch is not a new one, but you meet it more in the States than in Canada. These accepted cheques are cashed without the holder being identified simply through anxiety on the part of the bank official to get business,—not to offend a person who may be a future customer.

"The case of accepting the deposit of an unknown man contains almost an equal risk of loss to the bank. This point is not always recognized. But the danger is that a man may come in, make a deposit, draw two or three small cheques against his account, and gradually become recognized as a regular,—and trusted customer,—and then present a cheque or two to be cashed and have the cheque negotiated without trouble, and get away for a large amount. Then finally would come the question, Who recommended this man in the first place?"

"Trying Out" The Stranger

A former bank manager who had had a wide experience in widely separated areas in Canada was asked for his procedure in the case of an Unknown, who might wish to deposit a fairly large sum, and who had no local friends to whom he could give a reference. He said that he would casually question the depositor, not point blank, but rather indirectly, and ask him where he did his banking before. If he gave the name of a bank in Tennessee, he would write that bank, and if they knew nothing of this man, would remark to him that he must have misunderstood the bank he mentioned before. Then, tableau.

"There is little danger when a man takes a risk with his eyes open; the trouble is that so many do it blindly. Then of late years we have had to do with so many inexperienced clerks that cases of this kind have been more difficult to prevent; imagine having to put a man on Cash who has had just a couple of years' experience in a bank."

A Smooth Worker

Now to come back to the case itself. The hearing in the court showed how closely the man had got to the banks. The manager of a branch of one bank testified that Taillon last July had presented at his branch a cheque for $250 on a bank at a Cobalt. The cheque was stamped with the "Accepted" stamp, and certified, but it was forgery, and worthless. An accepted cheque for $575 was cashed by one of the leading jewelry firms in Canada, and a balance handed him in cash after jewelry valued at $176.65 had been purchased. In the case of a housefurnishing firm suspicion was aroused through an employee who thought he recognized the man as belonging to Ottawa but under another name than the one he gave, and the manager of a bank at Beloeil was telephoned to about the "Accepted" cheque (for $300) and pronounced it worthless. But the smooth forger had got away. Altogether some $7,000 is believed to have been secured through forgery, much of it from across the counter of banks. The judge committed him for for trial. There we leave him for the present.—J.W.T.

BANKERS' SERVICE APPRECIATED

The manager of one of the chartered bank branches at Belleville writes:

"I wish to compliment you on the series of banking articles which have been running through your paper during the past year. They are without doubt very useful to the young bank manager particularly, and I would imagine if you had the articles collected and put in book form they would find a large and ready sale among Canadian bankers. I would suggest also, if such a book were published, it would add greatly to its interest to have included a brief history of Canadian banks."

BANKING CAPITAL

Many Increases Have Recently Been Announced

LONDON.—Within the last few months issues of new capital have been announced by 15 banks in which we are interested here, nine of the banks operating in this country and the remaining six conducting business in our overseas possessions. About £6,480,000 of new capital has been or is on the point of being, issued by purely British banks, and that from the premiums received from the sale of the new shares about £6,375,000 will have been added to the reserve funds of the various undertakings.

At the end of 1917 the capital of the banks of the United Kingdom, exclusive of the Bank of England, amounted to £72,002,000, and the reserve funds to £46,764,000. The total of capital and reserve, amounting to £118,766,000, represented about 6.8 per cent. of the deposits, which just over a year ago stood at £1,743,000,000. Leaving out of account the changes in capital and reserve runds due to amalgamations, it would appear that the existing paid-up capital of the banks is £78,480,000 and the reserve funds about £53,140,000, a total of, roughly, £131,620,000. If deposits, etc., at the present time stand at about £2,000,000,000, the existing proportion of capital and reserve to deposits is approximately 6.6 per cent. At the end of 1913 the deposits of £1,071,000 bore a proportion of 11 per cent. to combined capital and reserve of £117,823,000.

BANKING BY MAIL

Printed Envelopes to be Introduced By the Home Bank

At the convention of Ontario managers of the Home Bank, in November last, the suggestion was made that printed envelopes bearing the address of the branches of the bank, where required, be supplied to depositors who use the mails. The subject was taken up at head office and the conclusion arrived at favored the adoption of an acknowledgment form proposed by our manager at Alliston.

This slip for deposits by mail is to be enclosed with pass-book when returned by mail to a depositor, as a reminder that further remittances will be welcome and to facilitate the making out of the usual communication that accompanies a deposit. Several of the slips should be sent in an envelope, and when a mail account becomes inactive the customer may be sent a formal circular letter, accompanied by several of the slips, as a reminder that the bank appreciates his business and hopes to receive further additions to his account at an early date.

An electroplate, from which these slips may be inexpensively printed, is now in stock with the Stationery Department. Orders for quantities, bearing the name of the branch, will be supplied on request.

"It would be surprising to know the number of corporations whose books are badly kept and where the monies received from the taxpayers are not properly portioned out," comments the report on municipal statistics of Quebec province. "In many cases competent and disinterested auditors would render great service and safeguard the public funds."

BRITISH BANKS ARE INCREASING THEIR CAPITAL

In Five Months Nine Have a Total of $62,277,575

HALF TO SURPLUS

Existing Capital of British Banks Amounts to $392,400,000, and Surplus $265,000,000

The strong tendency evinced by British banks to issue new capital is indicated by the fact that during the last few months nine purely British institutions in London, including some of the leading banks of that city, added to their capital funds, by the sale of new stock, a total of $62,277,575. Of this amount, $32,402,225 represented an increase in the capital stock of the banks, while the balance was added to surplus, being received as premiums on the sale of the new shares.

At the end of 1917, the capital of the banks of the United Kingdom, exclusive of the Bank of England, amounted to $360,010,000, and the surplus to $223,820,000. Together, the capital and surplus at that period amounted to $583,830,000, which represented 6.8 per cent. of the $8,715,000,000 deposits carried them by the banks. Leaving out of account the changes in capital and surplus due to mergers, it appears that the existing capital of the banks is $392,400,000, and the surplus about $265,700,000, or a total of $658,100,000. As the deposits at the present time stand at about $10,000,000,000, the existing proportion of capital and surplus to deposits is approximately 6.6 per cent.

It is therefore seen that in spite of the large accession of new capital and enormous earnings of the banks during the past year, they have not succeeded in restoring the ratio of capital funds to liabilities to what it was a year ago. As a matter of fact, the relation of capital funds to liabilities steadily declined throughout the period of the war in consequence of the great expansion of deposits.

In the subjoined table is presented a list of the British banks which have recently increased their capital, together with the amount of the increase, and the present capital position of the banks (last three figures omitted).

	Addition to		Present	
	Cap.	Surp.	Cap.	Surp.
Barclays	$7,289	$4,555	$43,736	$34,555
Cox & Co.	1,000	1,725	3,250	2,125
Equitable	132	198	200	248
London County .	6,803	12,156	42,373	43,750
London J't City.	5,108	5,123	40,986	40,986
National Prov. .	7,865	7,865	35,250	31,365
Palatine	62	...	625	55
Union Manches .	1,000	1,000	3,750	2,625
Wm. Deacon's ...	3,125	3,125	9,375	4,250

RAILWAY WAR BOARD WILL LIVE IN PEACE TIME

Continued from page 12

administration. For the past week or so and for the future, THE FINANCIAL POST learns, these cars will be returned under a regular arrangement, and the shortage from this cause will be eliminated permanently.

Perhaps when a proper perspective can be secured of the beneficial results of this co-operation between the Canadian railways, one will stand out as the most helpful, the appointment of the Railway Adjustment Board for the express purpose of amicably settling all labor disputes among the huge number of employees scattered all over Canada. This Board sits every month regularly, and has passed on the claims of many thousands of men, and all have been adjusted without a strike. The membership is shared with the employees, and at the present time the chairman is a representative of one of the unions.

This aspect of the Board's activities should be continued in the future, and any proposal to discontinue it would meet with the strongest opposition. The War Board, under whatever name it assumes in peace times, will also have a big job in working as the representative of the Canadian roads, Government and private, in connection with the return of cars from the States, for one of the reasons why a rapid working arrangement has been carried out has been the offer of the Board to accept the "empties" at any point, no matter what the line, and return them to the owners.

In educating manufacturers, wholesalers, retailers and all who ship freight to the great saving in expense and railway equipment in keeping cars loaded up to nearly capacity, with many other advantages common to the public with the railways, a common Board would find a valuable work ahead of it.

How can Safety be assured?

Many a man, convinced that he should no longer put off making a will, has delayed because he found difficulty in choosing an executor satisfactory to him.

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RESERVE, - - 12,000,000
TOTAL ASSETS, over 130,000,000

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CAPITAL PAID UP - - 5,008,672
RESERVE FUND - - 4,000,000
DEPOSITS, &c. (Dec., 1917) 174,697,945
ADVANCES, &c. do. 61,466,709

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TORONTO, FEBRUARY 15, 1919

"CANADA HELPS U.S. EXPERTS"

WE have received a communication from M. E. Nichols, Director-General of National Information, to the effect that the article published in THE FINANCIAL POST of January 4th last, under the above heading, contains passages which are untrue and he considers libellous.

The portion of the article to which Mr. Nichols takes exception is as follows:

> "Yet here in Canada we have a Director-General of National Information, M. E. Nichols, drawing a salary of $6,000 a year from the country, who thinks mechanical engineers are of so little importance that they should not have news of special interest to them—no matter how valuable. He reported that technical papers performed no public service and were, therefore, not entitled to the newspaper mails.
>
> "Hon. Mr. Rowell says he hand-picked Canada to find Nichols, then out of a job; that he appointed him on strong representations of leading newspaper men—but refused to name them. There is one thing sure, the hundreds of thousands of farmers, merchants, mechanics, manufacturers and financiers throughout Canada, who need and read the newspapers specially devoted to their interest, have no sympathy for Mr. Rowell's action in this matter. The fact that Mr. Nichols had made a gigantic failure of his two big newspaper ventures should be sufficient to condemn him as a man whose opinion on publishing or news was of little value.
>
> "Let us have intelligence and efficiency in the public service."

Dealing with the first paragraph in respect of which complaint is made, we would state that, consequent upon a circular issued by the Post Office in 1912, stating that a readjustment of newspaper postage was contemplated, after an interview with the Postmaster-General, Hon. Mr. Pelletier, Mr. Nichols was appointed by the Canadian Press Association and the Canadian Press, Limited, to investigate the conditions affecting the conveyance of newspapers by post and the claims of the railways. Mr. Nichols investigated the matter in an exhaustive manner, and in November, 1913, made his report to the Presidents of the Canadian Press Association and the Canadian Press, Limited, in which he stated, he did not believe that trade publications served the public interest to an extent which warranted their participation in a privilege designed to facilitate the dissemination of news and the diffusion of useful knowledge. He recommends that they be not recognized as entitled to newspaper rates. Instead, they should be compelled to pay 16 times higher postage than other classes of publications. At a joint meeting of the Canadian Press Association and the Canadian Press, Limited, on the 20th November, 1913, at which Mr. Nichols' report was presented, Mr. Nichols, in verbally supporting the recommendations contained in his report, said that trade papers were not newspapers, as they did not deal with political questions, that they were becoming influential and that then was the time to suppress their development.

As for the failure of Mr. Nichols' newspapers, the *News* and the *Daily Mail*, it is only necessary to refer to the final statement of the liquidator, which shows that the only creditors to receive any payment were the former employees of the Daily Mail Publishing Company, who received 35% of the wages owing to them, or $3,327 out of $10,081. The ordinary claimants, of whom there was a formidable list, got absolutely nothing.

The above sets forth in accurate detail the facts upon which the article complained of is based. In our view, the article does not, in any way, misrepresent those facts, but if Mr. Nichols is now or at any other time in the future of the opinion that he has any just cause for complaint against us, we shall be pleased to extend to him the courtesy of publishing in our columns any criticism or explanation which he may desire to make, subject, of course, to our right to make any comments we think fit on Mr. Nichols' letter.

In conclusion, we would point out that Mr. Nichols is now in a position in which his opinion has been sought and is likely to be sought as to the value of trade newspapers, which expression, of course, includes such technical newspapers as the one to which reference was made in our article of January 4th, and we hold strongly to the opinion that it is not in the best interests of the country and the public that a man who holds Mr. Nichols' views on the value of trade press should occupy a position which entails his having to give official views or rulings as to the usefulness of this class of publication. As an example, the U.S. Department of Public Information sent over fifteen business newspaper publishers and editors to visit the manufacturing plants in Europe—Mr. Nichols was given the privilege of sending representatives from Canada. He did not send one. The Canadian editors, and through them the Canadian readers, lost a splendid opportunity of helping Canadian manufacturers in the reconstruction period.

PUBLIC OWNERSHIP AT GUELPH

WHENEVER the public ownership enthusiasts are asked to give actual evidence that utilities are being successfully operated municipally in Canada, they invariably refer to the Guelph Junction Railway, which, according to recent reports, is returning better than thirty per cent. on the investment. Seemingly, this is an effective rejoinder, but nothing could be more misleading. Consider the facts.

Guelph has an electric street railway municipally owned and operated, also a municipal gas plant and municipal waterworks. Of the financial results of these concerns little is ever said. We have it on good authority that they are a heavy financial burden on the ratepayers when direct and indirect charges are all taken into consideration, the real situation being made to appear in the best possible light by the cross-entry process so well understood by public ownership bookkeepers.

But the Guelph Junction Railway is entirely another matter. It is a steam road connecting Guelph with Guelph Junction. It was built by the city, but is operated by the Canadian Pacific, the city receiving a percentage on all traffic. The C.P.R. extended the line through to Goderich and made a new grain route. This explains the thirty odd per cent. profits.

As a matter of fact, the Guelph Junction Railway, so far as Guelph is concerned, is a right of way leased to the Canadian Pacific on a percentage basis—practically speaking, a real estate proposition where the developments of a big corporation have run up the value.

THE POST AND THOSE CROP REPORTS

WHEN THE FINANCIAL POST last summer told of the true condition of the crops in Western Canada—reports being printed from the editor, who went over the ground—we were violently criticized in the West and charged with misrepresenting the situation, while in the East there were many who considered that such news should be mentioned with the soft pedal down. In this and other matters bearing upon Canadian business THE FINANCIAL POST believes that the real facts should be made known to those in positions where the welfare of others is dependent upon the successful working out of industrial, financial and commercial problems. Difficulties foreseen are half solved.

The reliability of the reports referred to has several times been proven. Remarkable evidence in this respect is contained in the annual address of Wm. Harvey, managing director of the Standard Trusts Company, delivered to the annual meeting recently at Winnipeg. Referring to the crop season and to his own first hand knowledge of the conditions which prevailed he said:

> As to agricultural conditions, the promise of a good crop in the early spring was not sustained as the season advanced. With high winds and little or no precipitation I watched with anxiety the farmers' labors expended in many areas for nought. The seed was blown out and resown and still without a cessation of the dry, windy spell of weather, and finally a third sowing—of barley—met with almost equally disastrous results. In over thirty years' residence in the West I had not seen so untoward a season in Southern Alberta, Southern Saskatchewan, and South-Western Manitoba. The balance of Manitoba fared much better, its heavier soils proving the favorable factor, with the happy result that that province on the whole reaped a very satisfactory harvest.
>
> Northern Alberta and Northern Saskatchewan, where not affected by the drouth and wind, got off to a fine start until, about the 27th July, there happened an unheard of thing. A blighting, devastating frost took toll from a most promising crop, fortunately only in spots, but seriously enough to impair badly the general average from those two provinces. August and September frosts we look for and try to guard against, but a July frost was unprecedented. Instead, therefore, of getting a 300,000,000-bushel wheat crop from the West, we have had to be content with less than two-thirds of that.

EDITORIAL NOTES

THE Toronto *Globe* has disposed of the ten thousand dollar controversy between Sir Herbert Holt and Sir Adam Beck by admitting that the chairman of the Hydro Commission is right.

* * * *

NEW York State Superintendent of Public Works Nixon has advised Governor Smith that the proposed ship canal from the Great Lakes to Montreal would be a commercial failure and waste of money.

* * *

THE statement recently credited, editorially, to G. R. Marnock, president Lethbridge Board of Trade, regarding the solution of the wheat price problem should have been represented as an utterance of Sanford Evans and quoted by Mr. Marnock.

* * *

THE Quebec *Telegraph* advances the argument that wages must be maintained on a basis to meet the cost of living. This idea is popular with the public. As a matter of fact, however, the cost of living must conform to wages. The individual must adjust his expenditures to his income; he cannot expect to be paid what he may desire to spend, and this applies to both necessities and luxuries.

* * *

PREMIER RYAN of Queensland, who is taking with him to England a Government publication entitled "Socialism at Work," which, he says, demonstrates the success of municipal and Government ownership, has been called a Bolshevik. He says he has not yet been able to find out what the term means. Neither have we; but under the circumstances we are not surprised that it has been applied to Premier Ryan.

* * *

THE Regina *Leader*, through an announcement in Toronto morning papers, makes a special appeal for the advertising patronage of Canadian manufacturers. The *Leader* is about the most rabid of the rabid low tariff newspapers of the West; it usually describes the manufacturers as thieves and robbers. This is just another practical indication that Eastern and Western interests are not so far apart after all. Western newspapers look to Eastern sources for their revenue, just as the Western farmers look to Eastern markets to dispose of their products.

* * *

THE New York *Sun* is authority for the statement that $500,000,000 will be spent this year on Canadian railroads and shipbuilding, partly under Government auspices and partly by the Canadian Pacific.

REPLIES FOR FARMERS TO MANUFACTURERS

R. McKenzie, Acting Secretary Canadian Council of Agriculture, Adds Further to the Tariff Controversy

In view of the importance of Canadian manufacturing interests of keeping posted with regard to the attitude of the farmers on tariff issues, THE FINANCIAL POST *herewith prints a letter sent to the editor by R. McKenzie, acting secretary of the Canadian Council of Agriculture, and being a reply to the statement recently issued by the Canadian Manufacturers Association.*

In their statement the manufacturers "urge most strongly that all tariff controversy should be postponed until the country has settled the immense problem of readjustment from war to peace conditions." There is a familiar sound to the proposition of "postponing" all controversies in respect to the tariff. Beneficiaries of protection always had a reason why discussion of the question should be deferred. During the war the demand was for postponement until the end of the war. Many agreed there were reasons why that should be done. The war has ceased, still, another reason is being advanced. Most of the people are convinced that an essential readjustment from war to peace conditions involves adjustment of custom duties. No other question to be considered has within it so much that affects the future progress and economic welfare of Canada, as that of the question of special industries being granted special privileges by the Government at the expense of the people.

The Canadian Manufacturers' Association assume that they believe the country should concentrate its energy on the task of returning from war to peace conditions; that there is one and only one essential thing to do during the transition period, and that is to leave custom duties severely alone, "and everything else that is needful will be added unto you."

Thoughtful Canadians think the one most essential thing to do in our dilemma is to devote our energies towards converting into liquid asset the enormous latent wealth we own in our agricultural lands and other natural resources to be used in liquidating our enormous liabilities. No other one thing has contributed so much towards retarding the development of these natural resources and preventing realization on the wealth they contain for the use of the people as the excessive overhead charges created by custom duties.

Canada has been for the last 40 years unduly taxing the resources of the people engaged in converting our natural wealth into liquid form under the delusion that we were building up Canada by establishing industries that were not self-supporting and that Canada could not support without recourse to the expediency of borrowing from the Mother country. Every year for the last forty years we were sinking deeper into debt until immediately previous to the war our borrowing had to stop. Now faced with a problem of meeting the cost of the war in addition to carrying the load incurred in pre-war times, we are solemly warned by the Manufacturers' Association that Canada's only salvation is to continue the custom protection enjoyed by the members of that association.

During the early days of the national policy its blighting effect on the development of industry was not so apparent. Manufacturers stimulated by custom duties became numerous. On account of competition with one another they sold their products at competitive prices. Being protected, however, from outside competition, they found it to their advantage to amalgamate their interest, thus removing competition from among themselves.

Analysis of the 1916 postal census of manufacturers reveals the fact that protection, as we now have it in Canada, has a withering effect on manufacturing as well as on the development of our natural resources. The number of establishments employing 5 hands and over in 1915 was only 15,593, as compared with 19,218 in 1910. True, by including establishments employing less than 4 hands in 1915 (which were excluded from the census of 1910) the number was increased to 21,306. The census bulletin classifies the various interests in 8 groups. The group of establishments having an average output of $25,000 or less, constitute 76.57 per cent. of the total number. Establishments having an average production of $200,000 or less, constitute 94.76 per cent. of the whole. Those having a production of over $200,000 constitute only 5.24 per cent. of the whole. A general view of the group shows those having a production of $200,000 and under the average output per establishment, decreased 22.36 per cent. in 1915 as compared to 1910. The significance of the above statement is that under protection 20,159 out of the 21,306 manufacturing establishments enumerated by the census bulletin, 1916, have decreased their production in 1915 as compared to 1910 upwards of 22 per cent. That is to say, 94.76 per cent. of the manufacturers in Canada have decreased their average production over 22 per cent. in that period. As there was a material increase in values in 1915 as compared with 1910, the decrease in volume would be more marked. On the other hand the bulletin points out there was an increase of 20.68 per cent. in the total product of manufactures. The residue of 5.24 per cent. must have increased their output very largely. It looks like a case of the big fish eating up the little fish.

What further need is there of demonstrating that manufacturing interests, as well as the farming industry and the development of our natural resources demand an immediate relief from the effect of customs duties, and no attempted readjustment to peace conditions after the war will prove effective in allaying the unrest and sense of injustice that exist, without the removal of the burden of protection.

The effect of protection as we have it in Canada, on the prosperity of the people is cumulative—the longer it continues, the greater the depression. Manufacturing industries in the early days of the national policy prospered. With the added duties and cumulative effect of protection only the larger manufacturing concerns constituting only 5 per cent. of the whole and who receive their raw material free from custom duties, have profited. The larger portion of this raw material is subject to the war tax on imports. Take a few illustrations: Hides are free as is also extract logwood, fustic oak bark and preparations thereof, by statute. Tanners get a drawback of 99 per cent. on stearine and cassine when used in the manufacturing of leather. Hyposulphate of soda and other tanning articles are free by order-in-council. The shoe maker, the shoe repairer, the harness maker and all others whose basic raw material is leather, have to pay 15 per cent. custom duty plus 7½ per cent. war tax. They get no free raw material. Raw cotton is free. Wool is free. Textile manufacturers are protected to the extent of 32 to 42½ per cent. Some 3,000 industries in the Dominion are the converters of the products of the cotton and woollen mills into finished garments. They get no free raw material, but are compelled to pay the group of financiers, who control the textile manufactures in Canada, the full extent of the protection they receive. They collect this tribute from their customers.

The report of the Minister of Customs for the year ending March 31, 1917, shows that we imported that year $461,733,609 worth of dutiable goods, and $383,622,697 worth free goods. Free goods being 46 per cent. of the imports and were largely imports of raw material and almost exclusively used by the larger manufacturers. Of the 21,306 manufacturing establishments in 1915, the following is a partial list of industries culled from the 1916 Census Bulletin, which obviously receive no benefit from protection, but are victims of its effect on the increased cost of production by creating excessive overhead costs, including increased fixed and working capital:

Aerated and mineral waters	221
Artificial limbs and trusses	9
Asbestos	9
Awnings, tents and sails	30
Cotton bags	10
Baskets	19
Bicycle repairs	13
Blacksmithing	611
Boats and canoes	83
Boot and shoe repairs	127
Boxes and bags (paper)	71
Boxes (wooden)	85
Bread, biscuits and confectionery	1375
Brick, tile and pottery	230
Butter and cheese	3307
Men's clothing, custom	1048
Women's clothing, custom	853
Cooperage	117
Dyeing and cleaning	133
Electric light and power	307
Fish, preserved	775
House building	556
Lithographing and engraving	60
Log products	1887
Lumber products	661
Monuments and tombstones	171
Painting and glazing	115
Patent medicines	106
Photography	280
Picture frames	25
Plumbing, tinsmithing	933
Printing and bookbinding	411
Printing and publishing	646
Roofing and roofing materials	39
Shipping and ship repairs	20
Signs	59
Total	15,402

This list could be supplemented by many industries which receive high protection but whose raw material is the finished product of the large industries and are compelled to pay to the producers of this raw material the larger portion of the protection they receive. Many of them can show that the additional cost of doing business due to protection, nearly offsets any advantages they receive through custom duties. They pay tribute to the manufacturing concerns that supply them raw material, and they collect the amount of that tribute and some more, from the consumers of their product.

Manufacturers state in their memorandum that last year the tariff provided for "61 per cent. of the total revenue of Canada and over 75 per cent. of the total secured by all forms of federal taxation." The United States in the same period, similarly to Canada engaged in the war, collected around 5 per cent. of their total revenue from custom duties. Britain collected about 11 per cent. of their total revenue from custom duties during the same period, levying the major portion of the tax on noncompetitive goods, a method exactly opposed to the protective theory for which the Manufacturers' Association stands. United States last year collected 75 per cent. of their revenue from income tax and excessive profit tax and are expected to collect 85 per cent for 1919 from the same source. Britain and the United States collected the larger portion of their revenue for war purposes and the conduct of Government from men of money and wealth. Canada levies the main part of her revenue on consumption.

Who Pays the Duty?

It is pertinent to ask who pays the revenue received by Government from custom duties. Manufacturers do not. The larger manufacturers get their raw product free, excepting war tax. The smaller manufacturers buy their raw material from home industries. Members of the Manufacturers' Association and financiers will no doubt live up to their "slogan" and buy for their personal needs "Canada made goods." Only users of dutiable imported goods contribute to the revenue secured from Custom Tariff.

Manufacturers in their statement boast of their contribution to the winning of the war, and insinuate that the war might have lasted for many days longer but for the part played in winning it by Canadian factory production. No one wants to detract from the manufacturers whatever credit they are entitled to for their part in winning the war, and they have done their part. The man who gives the best that is in him for love of his country does not usually boast of his achievement or look for a quid pro quo. In view of the many scandals and charges of profiteering levelled against our large manufacturers at the beginning of their operation in supplying war material, and in view of the scores of men who undertook the manufacture of munitions and other war equipment, that were never known to be associated with manufacturing industry, we cannot close our eyes to the fact that many of these men were actuated by other motives than helping to win the war, and they would be just as ready to enter into the enterprise of manufacturing hair pins as they were to manufacture war equipment, did it offer to be as profitable an undertaking.

PERSONAL

ARTHUR W. BRAITHWAITE, who is the last member appointed to the Siberian Trade Commission, has for some years, been the assistant general manager of the Bank of Montreal. He is a director and member of the executive committee of the Royal Trust Company. Mr. Braithwaite was born and educated in England, coming to Canada and entering the Bank of Montreal in 1873. His first managership was at Regina, following which he was in charge of the bank's branches at Calgary and Hamilton prior to going to New York as second agent. In 1906 he returned to Toronto and was made manager following which he was made superintendent of Ontario branches with headquarters in Montreal. Mr. Braithwaite acted as general manager of the Ontario Bank pending liquidation in 1906. The other members of the Siberian Trade Commission are C. F. Just, L. D. Wilgress and Col. Dennis and Owens.

JOHN JAY ABBOTT, of Chicago, who passed through Victoria last year from the Orient, is on his way back and will probably cross on the North Pacific route, according to the "Times." At that time he was accompanied by Joy Morton, one of the leading financiers and business men of the Middle West and a director of the Continental and Commercial Bank, which had made a loan of five million dollars to the Chinese Government. Notwithstanding some disappointments in Chinese methods of finance, as revealed to Mr. Abbott during that visit to Peking, his interest in China has continued and increased and he has been the most active factor in the reorganization of the new American group in which his bank will take an active part. Mr. Abbott spent considerable time during the past year in New York and Washington in connection with this work. Over a year ago the bankers representing the American group decided to re-enter the international group on earnest solicitation from the other Powers, but the State Department at Washington declined to support them

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INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Many questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

BEAVER CONSOLIDATED

P. S., Sault Ste. Marie—I wish to get your opinion re the following stocks: Beaver Consolidated and Kirkland Lake Gold. I hold a few thousand Beaver which cost me nearly a dollar a share. What are the prospects of Beaver paying a dividend in the next few months now that Kirkland Lake Gold is about to start to produce? What would you advise,—to sell or wait awhile?

We would advise holding this stock. The Beaver mine itself is still being worked with satisfactory results and has a known life of several years ahead of it. In the meanwhile developments at the Kirkland Lake gold mines are such as to warrant the belief that the latter property will shortly be turning over to the former sufficient funds to enable Beaver to resume dividend payments. The new Kirkland Lake mill, with a capacity of 150 tons per day, is expected to be placed in operation before or during the spring and there is enough ore in sight to keep it going at a profitable level. The results which have been obtained during the past year by the Lake Shore Mines, which are located quite near the Kirkland Lake Mines, are such as to inspire confidence in the minds of Beaver shareholders, while the management of both the Beaver and Kirkland Lake is in good hands.

IMPERIAL TOBACCO COMMON

St. John's, Newfoundland—What price is quoted for common stock of Imperial Tobacco Co.?

This stock is not listed in Canada or New York, but in London. The restrictions imposed during the war still prevent you, as a Canadian, selling stock there and realizing. The par value of the stock is $5 a share, and it has been paying 7 per cent. London quotations range between 23s. 6d. and 24s. 3d., but the best offer we can discover for you in Montreal is $4.50. On the New York curb it sells between $4.50 and $5.00. The London rate represents close to $6 a share, but, of course, the absence of a regular market forces the price down on this side.

INCOME TAX

Banker, Quebec.—"May I ask for a few particulars re the Canadian income tax in its relation to the American tax and American citizen in Canada? The point is this, an American moved last year from the United States to Canada. He is now and will be a permanent resident here, owning considerable property. His income is largely derived from interest and dividends on American stocks and bonds. Now should he make a return to the Canadian officials or the American? If to Canada is he liable for income tax on securities that he owns in the United States or would he be liable for a tax on the dividends that come to Canada and also to the United States?"

The position at present is simply this—a United States citizen resident in Canada is subject to the income tax law of both countries and, while there may be some question as to the ability of the United States Government to collect its tax from him, acording to the wording of the act, he is liable therefor.

To relieve American citizens resident in Canada of this double taxation a measure is now before Congress which will have the effect of crediting the amount of the United States tax with the amount of the Canadian tax. Thus, if the United States levy is $500 and the Canadian levy $400, the Canadian Government would receive $400 and the United States Government $100. This measure, known as Senate Bill No. 222 passed the Senate on December 6, but it has not yet passed the House of Representatives. It is not, so far as we are aware, retroactive.

When the question of double taxation first arose, a delegation of prominent United States residents in Canada, went to Washington and explained the situation to the House Committee on Ways and Means. Chairman Kitchin of this committee expressed sympathy with the position of these American citizens and a measure was introduced into the House to afford relief. It was passed by the House but rejected by the Senate, which in turn submitted the bill already mentioned.

So far as the Canadian act is concerned, your client is liable for taxation on his gross income, less the statutory deductions, no matter whether that income is derived from investments in the United States or Canada. He must make his return to the Canadian Government in the regular way and presumably he must make his return to the United States Government in the form required by the latter. As to just what machinery will be provided for making adjustments, we are not as yet aware, but that there will be relief may be taken as assured.

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PAGE WIRE FENCE

J. B., Louisville.—Can you give me any information about the investment outlook for the Page Wire Fence Company?

The Page Wire Fence Company is not very much in the limelight from the investment standpoint. Prior to the outbreak of the war a fine business was being done, and, we understand, throughout the twenty-six years of operation dividends on an average of 32.75 per cent. were paid. Business suffered very heavily during the war, particularly in relation to export trade, which had been developed to a great extent and took in many countries. Exports could have been maintained on a fairly good scale during the war had it not been for the difficulty in getting shipping. There was less than one carload shipped abroad by the company in the last two years of the war. A new factory is being built at Three Rivers and this will be completed some time this year. When the company was reorganized last year the capital stock was increased from $100,000 to $250,000 but of this increase only 750 shares are being disposed of now, the price being par value of $100. The balance of the stock will remain in the treasury.

There will be a meeting in a couple of weeks when the results of 1918 will be made known. It does not appear, however, that there is any chance of a dividend any more than in 1917. Whether there will be a distribution during 1919 will, of course, depend upon whether export trade starts up again and also on the volume of domestic business.

The manufacturing situation is improving and a reduction of about 15 per cent. in the cost of production has been effected. Local orders are now beginning to come in and a good domestic business is expected this year. A large export demand is looked for again when shipping conditions return to anything like normal. An arrangement has just been made with one of the largest export houses in North America to handle the company's foreign business. Since the 1st of December sales of wire fence and farm engines have been about $40,000 and the prospects are improving. Under normal conditions when things are running properly there is a good margin of profit in the business and the manager, W. G. Heron, does not think they will have any difficulty in making 20 per cent. on the capital; but, as previously stated, very much depends upon the development of the export trade.

CURRENT OPINION

Under this heading are published, for the information of our readers, the views of leading newspapers and individuals. Their reproduction does not imply their endorsement. On the contrary, the investigations of THE POST'S editors often lead to entirely different conclusions from those quoted below.

COMPULSORY READJUSTMENT

Wall Street Journal

Secretary of Commerce Redfield proposes Government regulation of post-war prices. His reasons may be summarized in the single statement that "voluntary" co-operation between manufacturers and the Government would be much better than to leave business to the operation of the law of supply and demand. The supply and demand principles, "or natural course," would be "difficult and protracted."

It would be interesting were Secretary Redfield to inform the public under what law the Government has authority to regulate prices. If there is no legal authority, under what legal principle can the Government enter into a voluntary agreement with merchants to maintain a fixed price for Government purchases, with the purpose of buying Government supplies, not at their actual market worth, but at such fixed price, and in such a way as to make that price in practice a compulsory standard for everybody?

If there is legal authority for the direct or indirect employment of that power, it is not too soon to modify it in some form so that the privately arranged Federal price may be subjected to the only valuable test—the concrete expression of market opinion in a market quotation.

It may be affirmed without exaggeration our prices are the highest paid by any people for the necessaries of life in a time of peace since the establishment of modern market records, and our supplies the most abundant. It would be hard to point to a single commodity which did not cost the consumer a dear penny in consequence of war price regulation.

Price regulation enabled the Government to collect more money in revenue and taxes, so that it could pay out more money for material and wages. It was an artificial equation whose failure is attested by the necessity for asking the President to sanction the continuance of another bankrupt experiment.

When our administration forces fail they do not resign; they do not even abandon vicious policies. They ask in every instance a new vote of confidence just because they have failed.

BRITAIN PREPARED FOR PEACE

Manitoba *Free Press*

At the recent convention of the U.F.A. in Edmonton, J. W. Leedy, in speaking of banking, declared that Great Britain's ideas of finance among other things were entirely behind the times. In fact, Britain was not awake. No one challenged this statement at the convention, but it is pretty safe to surmise that Mr. Leedy's countrymen engaged in the shipping business hold an entirely different opinion of Great Britain at the present time. Their complaint is that while they thought to get up sufficiently early in the morning to keep pace in the question of merchant marine and other matters, Great Britain has stayed awake all night with somewhat disastrous results to their business. They are complaining now that Britain is not using them well, because she has cut the rates on shipping 66 2-3 per cent. and they are meeting that cut with somewhat sore hearts. It is estimated by men who should know, that even under war conditions Great Britain has never paid higher than $60 per ton for the construction of her ships and that the bulk of her merchant marine was constructed at very much lower figures. The United States with her highly protected interests and building under war conditions, finds herself with ships that cost four times and some of them five times as much per ton for construction, moreover, they are probably boats that will not have more than half the life of a Clyde-built steamer. In addition, there is a special United States law which provides for the number of seamen to be carried on a boat, a very much higher number than is to be found on British-manned vessels, so that altogether the American merchant marine of to-day is a pretty expensive proposition. It looked good when freights were around $65 a ton, but with freights cut 66 per cent., it is a ship of another color and some of our American friends are left lamenting.

A BANKER'S VERSATILITY

Home Bank Monthly

Many critics of banking methods would require a banker to be an all 'round genius with the ability to readily fathom human nature and solve intricate problems in every form of enterprise requiring only a financial stake to set them successfully in operation. This is the age of specialists and a banker is also a specialist. He has a good general working knowledge of farming, merchandising and the negotiable values of certain stable forms of collateral, but he is not a chemist, printer, chicken-fancier, stock-breeder, mineralogist, real estate expert, contractor and builder, or inventor, or whatever the turn requires when he is called upon to make a decision as to advancing funds to promote a venture coming under any of these heads. Therefore he says to the applicant who wants accommodation to start a new business, or promote a development company: "Well, this looks very promising but really I am altogether unfamiliar with this line of business, so if you will get your note endorsed by some financially responsible person, who, we will presume, knows all the details and prospects of your enterprise, we will be pleased to make you an advance on some such good security." When a person endorses a note to a bank for funds to be advanced in promotion, the endorser of the note is taking a chance with his own money. Neither promoter nor endorser are doing any gambling with the funds of the bank.

Victory Bonds
(*all issues*)
1922-1923-1927-1933-1937

Bought-Sold-Quoted

GREENSHIELDS & CO.
Members Montreal Stock Exchange
Dealers in Canadian Bond Issues
17 St. John Street, Montreal
Central Chambers, Ottawa.

Features of the THIRTIETH ANNUAL REPORT of the

DOMINION LIFE ASSURANCE COMPANY

HEAD OFFICE - ESTABLISHED 1889 - WATERLOO, ON

Large New Business the Outstanding Feature.

Reserves and Assets take Big Jump—Interest Rate Earned 7.3%

Policies Issued and Revived	$ 6,495,322.00
Previous year	4,974,170.00
Increase 31 per cent.	**1,521,152.00**
Total Business in Force	26,543,570.00
Previous Year	22,271,831.00
Increase 19 per cent.	**4,271,739.00**
Total Net Income	1,246,829.57
Previous Year	1,000,070.84
Increase 25 per cent.	**246,758.73**
Gross Assets	5,499,535.02
Previous Year	4,650,062.71
Increase 18 per cent.	**849,472.31**
Reserves	3,959,391.00
Previous Year	3,538,246.00
Increase 12 per cent.	**421,145.00**

Union Trust Company, Limited

Head Office, Toronto

Report of the Directors

Adopted at the Annual Meeting, Feb. 13th, 1919

TO THE SHAREHOLDERS OF THE UNION TRUST COMPANY, LIMITED:

Your Directors present herewith the Financial Statement of your Company for the year ended December 31st, 1918.

The earnings for the year, after payment of interest on Guaranteed Funds, cost of Management, and all expenses, amount to $111,226.04 to which must be added the sum of $15,702.77, the amount brought forward from the preceding year, making a total of $126,928.81, which your Directors have disposed of as follows:

To Payment of quarterly dividends aggregating	$ 70,000.00
To Contributions to Patriotic Fund, Young Men's Christian Association (Overseas), Knights of Columbus Army Huts, Navy League of Canada, Sailors' Week	2,175.00
To Taxes and Registration Fees paid to the Dominion and Provincial Governments and Municipalities	10,688.17
To Balance Carried Forward	44,065.64
Total	$126,928.81

The values of the securities held by the Company are set down in the Annual Statement on a sound and conservative basis.

Investments of funds belonging to estates placed in our hands for administration, and of funds entrusted to us through our Trust Savings Department, have been carefully made and are in excellent condition.

A continuous audit of the Company's accounts has been maintained throughout the year, and a copy of the Auditors' Report is appended to the statement.

The Directors have pleasure in recording their appreciation of the efficient and loyal services rendered by the staff at the Head Office, and the Branch Offices, at Winnipeg and London, England.

All of which is respectfully submitted.

HENRY F. GOODERHAM,
President.

Toronto, January 28th, 1919.

Financial Statement for Year ended December 31st, 1918

ASSETS AND LIABILITIES

CAPITAL ACCOUNT

Mortgages and other securities on real estate and Interest thereon to Dec. 31st, 1918.	$711,497.03	
Municipal Debentures, Bonds and Stocks and Interest thereon to Dec. 31st, 1918	94,703.79	
Loans on Debentures Bonds and Stocks and Interest thereon to Dec. 31st, 1918	133,677.17	
Real Estate, less Mortgages	482,984.93	
Other Assets and Deferred Charges	35,510.13	
Cash on hand, and in Banks.	83,658.63	
		$1,542,031.68

Capital Stock, fully paid	$1,000,000.00	
Reserve Fund	450,000.00	
Profit and Loss Account	44,065.64	
Dividend No. 46, payable January 2nd, 1919	15,000.00	
Items Accrued (not yet payable)	5,066.63	
Reserve for Income and War Taxes	6,628.33	
Other Liabilities	21,271.08	
		$1,542,031.68

GUARANTEED INVESTMENT ACCOUNT

Mortgages on Real Estate	$3,331,846.94	
Victory Bonds, Municipal and other Bonds and Stocks	1,000,864.03	
Loans against which Collateral is held	769,330.82	
Cash on hand, and in Banks.	115,978.49	
		$5,218,020.28

Guaranteed Trust Funds for Investment	$4,221,024.39	
Trust Savings Accounts	996,995.89	
		$5,218,020.28

ESTATES AND AGENCIES

Real Estate Mortgages, Stocks, Bonds and Debentures, etc., in the hands of the Company as Executors, Trustees, Agents, etc.	$6,012,389.99	
Cash on hand, and in Banks.	91,096.78	
		$6,103,486.77
Total		$12,863,538.73

Assets of Estates and Agencies in hands of the Company	$6,103,486.77	
		$6,103,486.77
Total		$12,863,538.73

C. D. HENDERSON,
Secretary.

JAMES K. PICKETT,
General Manager.

AUDITORS' CERTIFICATE

We have audited the books and accounts of The Union Trust Company, Limited, at the head office in Toronto and branch in Winnipeg for the year ending December 31st, 1918, and all our requirements as auditors have been complied with. We have verified the securities and cash balances either by actual inspection or by certificates from the depositaries. The trust funds and investments are kept separate from the Company's own funds and investments and are shown on the books as belonging to the several Trusts, Estates and Agencies. The Company's investments are carried at market values where such values have been obtainable and the remaining investments and loans are included at values which the Directors consider to be fair and reasonable, and on that basis, we certify, that, in our opinion, the above Balance Sheet is drawn up so as to exhibit a true and correct view of the state of the Company's affairs as shown by the books and according to the best of our information and the explanations given to us.

Toronto, Canada, January 28th, 1919.

PRICE, WATERHOUSE & CO., Auditors.

BOARD OF DIRECTORS

Henry F. Gooderham, Toronto, *President*
H. H. Beck, Victoria, B.C.
J. H. McConnell, M.D., Toronto.
Walter C. Laidlaw, Toronto.
Geo. S. May, Ottawa.
W. H. Smith, Toronto.
H. S. Strathy, Toronto, *Vice-President.*
Mark Bredin, Toronto.
Rt. Hon. Lord Hindlip, Worcester, Eng.
A. Percy Taylor, Toronto

501

Opportunities in Long-Term Bonds

Bonds maturing in 1919 or 1920 may now be sold advantageously, and the funds reinvested in longer term securities. The benefits of present high interest yield rates may thereby be secured for a period of ten years and longer.

We shall be glad to offer suggestions.

DOMINION SECURITIES CORPORATION LIMITED
HEAD OFFICE: TORONTO 26 KING ST. E.
MONTREAL ESTABLISHED 1901 LONDON, ENG.

Bank Managers And Buying Power

READ the following copy of a letter just received by THE FINANCIAL POST from a Bank Manager at Belleville.

"I wish to compliment you on the series of banking articles which have been running through your paper during the past year. They are without doubt very useful to the young bank manager particularly, and I would imagine if you had the articles collected and put in book form they would find a large and ready sale among Canadian bankers. I would suggest also, if such a book were published, it would add greatly to its interest to have included a brief history of Canadian banks."

That expression of opinion indicates a number of things. In the first place it shows the value which bank managers are attaching to the articles on banking. It shows that in subscribing for THE FINANCIAL POST for their branch managers, the banks are doing a great deal towards building up a more efficient staff.

The letter indicates, too, the service we are able to offer some advertisers—a service not only of large buying power but of large influence. Belleville, for instance, is the heart of an exceedingly rich farming community. The farmers will be consulting the bank managers about many affairs. They will be talking with their managers about loans which they want in order to enable their purchasing certain equipment. If branch managers, such as this one who wrote about Mr. Tyson's articles, have been made aware of the commodity which the farmer will want the loan to buy, they will be more appreciative of the service this commodity can give the farmer and more ready to grant the loan or to recommend the advisability of the loan.

The Toronto Mortgage Company

FINANCIAL STATEMENT FOR THE YEAR ENDING 31st DECEMBER, 1918

LIABILITIES

To the Public:			
Debentures, Sterling		$1,396,708.43	
Accrued interest thereon		12,123.74	
Debentures, Currency		242,717.65	
Accrued interest thereon		4,681 06	
Deposits, Savings Accounts		116,952.73	
			$1,773,183.61
To the Shareholders:			
Capital Stock, fully paid		$ 724,550.00	
Reserve Fund	$590,000.00		
Added in 1918	30,000.00		
		620,000.00	
Unclaimed Dividends		38.25	
Dividend payable 1st. January, 1919		14,491.00	
Balance carried forward		39,449.19	
			$1,398,528.44
Total			$3,171,712.05

ASSETS

Mortgage Loans		$2,041,945.32
Office Premises in Toronto Street		45,000.00
Government and Municipal Bonds and Stocks, owned by the Company	$ 831,122.07	
Call Loans on fully paid Stocks	136,492.43	
Cash in Banks	115,175.93	
Cash in Office	1,976.30	
		$1,084,766.73
Total		$3,171,712.05

PROFIT AND LOSS ACCOUNT

Dr.	
Interest on Sterling Debentures, paid and accrued	$ 69,917.36
Interest on Currency Debentures, paid and accrued	12,340.82
Interest on Deposits	3,539.39
Charges on Moneys borrowed and lent	5,704.60
Cost of Management, viz.; Salaries, Directors' and Auditors' Fees, Tax on Capital, Business Tax, Office Rent, etc.	19,889.61
Special War Taxes, Subscriptions to Patriotic Fund, etc.	5,222.11
Dividends on Capital Stock at 8 per cent.	57,964.00
Transferred to Reserve Fund	30,000.00
Balance carried forward	39,449.19
Total	$ 244,026.58

	Cr.
Balance brought forward	$ 37,871.02
Interest on Investment, and Net Rental from Office Premises	206,155.56
Total	$ 244,026.58

SUMMARY OF ANNUAL REPORT FEATURES.

The net result of the year's business is that the Directors, after meeting all charges, and paying 8 per cent. dividend, have again, as in recent years, been able to add $30,000 to the reserve fund, as well as to increase the balance of undivided profits carried forward. The Reserve Fund, all of which is invested in Government and Municipal Bonds, now amounts to over 85 per cent. of the capital.

The principal change in the Balance Sheet as compared with the previous year is an increase of $151,000 in the liquid Assets of the Company, which now exceed One Million Dollars.

For the first time since 1914 the Sterling Debentures issues by the Company show an increase.

Comparing the statement issued a few months before war broke out with the present statement it is seen that the Company has reduced liabilities to the public by $261,546.96. During the same period Assets have been decreased by only $92,382.52. For the twelfth year in succession the Company can report having no property on its hands for sale by default or otherwise.

Of the total amount of interest which fell due during 1918, 99 per cent. had been collected in cash at December 31, 1918.

NEWS OF THE BOND MARKET

BUSINESS IN BOND MARKET IS FAVORABLE

Most Dealers Report Satisfactory Turn-over During Past Week

SOME NERVOUSNESS

A Little Apprehension Being Felt in Certain Quarters as to the Solidarity of the Present Prices

The general report on the situation this week in the bond market is that business is continuing on a favorable basis, with a fairly steady demand for bonds at firm prices. There is still a scarcity of issues, and dealers are complaining that they are unable to secure offerings. In some quarters a note of caution is being sounded, the feeling being that, while the market is apparently strong, it would not take much to upset its equilibrium. These dealers are accordingly moving very cautiously and watching every sign carefully. The war loans are all strong, which is an evidence that there is good buying power back of the market. Investors generally are perhaps inclined to regard present prices for municipals as rather stiff and are looking for cheaper bonds.

The Toronto Sale

For the second time this year the city of Toronto has come into the bond market, and for the second time an exceedingly satisfactory sale has been pulled off. As usual, Finance Commissioner Bradshaw invited public tenders, and as a result seventeen offers were submitted for the bonds. Keen interest surrounded the sale and a large number of bond dealers were present when the tenders were opened at noon on Tuesday. The issue consisted of $650,000, 20-year instalment (average period 12 years) 5½ per cent Hydro-Electric bonds and the successful tender by Aemilius Jarvis & Co. was at 100.83, or on a 5.40 per cent. basis. Some of the tenderers submitted offers payable in New York funds, and on these an adjustment of 1.84 per cent. was made. The tenders received were as follows:

Æmilius Jarvis & Co.	100.8300
Sterling Bank of Canada	100.7802
G. A. Stimson & Co.	100.7800
Housser Wood & Co.	100.7500
Canada Bond Corporation	100.7010
W. A. MacKenzie & Co.	100.5320
R. C. Matthews & Co.	100.3700
Kerr, Flemming & Co.	100.3500
Harris, Forbes & Co.	100.3400
Dominion Securities Corp., Wood, Gundy & Co. and A. E. Ames & Co.	100.2910
C. H. Burgess & Co.	99.8600
National City Co.	99.8200
McDonagh, Somers & Co., Toronto, and Greenshields & Co.	99.7710
Mulholland, Bird & Graham	99.7100
First Trust & Savings Bank	99.6610
C. Meredith & Co.	99.0000
Municipal Debenture Corp.	98.5900

Another interesting sale of the week was that of an issue of $1,130,000 5-year, six per cent. bonds of the city of Edmonton. A number of bond houses were invited by wire to tender for this issue and the successful offer was submitted by Aemilius Jarvis & Co., their tender being at 98.94.

18 Bids for Pembroke's

The sale on Monday of the town of Pembroke's issue of $50,000, 6 per cent., 30-instalment debentures, attracted a large number of buyers, eighteen tenders in all being received. The bonds were awarded to W. L. McKinnon & Co. at 102.981. Following were the offers received:

W. L. McKinnon & Co.	102.981
Canada Bond Corporation	102.950
Wood, Gundy & Co.	101.880
Dominion Sec. Corporation	101.780
Brent, Noxon & Co.	101.651
C. H. Burgess & Co.	101.632
W. A. Mackenzie & Co.	101.620
Aemilius Jarvis & Co.	101.600
Housser, Wood & Co.	101.529
A. E. Ames & Co.	101.491
Mulholland, Bird & Graham	101.370
R. C. Matthews & Co.	101.050
McKay & McKay	101.040
G. A. Stimson & Co.	101.000
Sterling Bank	100.400
Turner, Spragge & Co.	100.370
C. R. Clapp & Co.	100.100
Bank of Ottawa	100.000

Hawkesbury and Perth

Ten bond houses submitted offers for the town of Hawkesbury's issue of $109,000, 6 per cent., 30-instalment debentures, which were up for sale by tender on February 7. The winning bid was put in by Wood, Gundy & Co., who offered 101.19 for the issue. The tenders submitted ranged as follows.

Wood, Gundy & Co.	101.19
A. E. Ames & Co.	100.28
Brent, Noxon & Co.	100.18
Hew R. Wood & Co.	99.58
Æmilius Jarvis & Co.	99.53
Turner, Epragge & Co.	99.49
G. A. Stimson & Co.	98.75
Municipal Deb. Corp.	98.50
W. L. McKinnon & Co.	97.47
McKay & McKay	97.11

Thirteen offers were submitted for the town of Perth's issue of $6,956.81, 6 per cent., 20-instalment debentures on Monday. The issue went to W. L. McKinnon & Co. at 101.135 and the complete list of tenders was as follows:

W. L. McKinnon & Co.	101.135
Brent, Noxon & Co.	101.095
W. A. Mackenzie & Co.	101.029
Mulholland, Bird & Graham	100.908
Wood, Gundy & Co.	100.879
C. H. Burgess & Co.	100.839
G. A. Stimson & Co.	100.769
Canada Bond Corp.	100.560
McKay & McKay	100.189
R. C. Matthews & Co.	100.046
Sterling Bank	99.919
A. E. Ames & Co.	99.400
Turner, Spragge & Co.	99.369

Other Recent Sales

It is understood that the $4,000 issue of Township of Rochester 6 per cent., 15-instalment bonds up for sale on February 1, was placed with a Windsor bond house.

Brent, Noxon & Co. have recently purchased an issue of $19,000, 6 per cent., 10 and 20-instalment bonds of the Township of Chatham, and $4,000 6 per cent., 10-instalment bonds of the Township of Colchester South.

W. L. McKinnon & Co. have been awarded an issue of $5,500, 6 per cent., 30-instalment electric light debentures of the village of Cobden.

INVESTMENT OPPORTUNITIES

How Investors in Bonds Have Profited During the Past Few Years

The exceptional opportunities enjoyed by investors in bonds and debentures during the past few years were very well set forth by Alexander Macdonald, president of the Great-West Life Assurance Co., in the address which he delivered at the annual meeting of that company last week. After referring to the fact that between December 31, 1914 and December 31, 1918, holdings of bonds and debentures had increased from $300,000 to $7,780,734. Mr. Macdonald continued:

"More than half of the $7,780,734 consists of Canadian Government War Bonds, for which the Company has on every occasion made large subscriptions, the last being for three million dollars in November, 1918. We have always selected bonds running for the longest term of years obtainable, and all bonds held at December 1st, 1917, were converted into the new issue then made which in some respects was the most attractive of all. Recent events have amply demonstrated the wisdom of these subscriptions, alike for patriotic as for investment reasons. The war has been won and the bonds have already so increased in values that they could be sold to-day at a premium, which, for instance, on the 1917 20-year Victory Bond, would bring up the yield for the time held to over 8% per annum.

"Since 1914 other bonds have been acquired to the extent of almost three million dollars. These have been of various character and cannot be recorded in detail here, though some may be mentioned. For instance, we now hold debentures issued by rural municipalities and school districts to the amount of $817,954. These were purchased to yield about 7%. The debentures of Saskatchewan rural telephone companies, which, like taxes, are first liens on all farm lands through which they operate, have been secured to the extent of $508,135, yielding over 7¼%. Bonds yielding 7% for five years and guaranteed jointly by the City of Winnipeg and adjoining municipalities have been purchased to the amount of $150,000. In 1918 we had the opportunity of investing about $50,000 in bonds running for 38 years, and guaranteed by the Province of Ontario at a price to yield 6½%. The last mentioned have just been sold at profit of nearly ten thousand dollars. Further, we invested during 1918 $56,000 in railway bonds guaranteed by the Dominion of Canada on a basis to yield 6⅛% for forty-four years. These could now be sold at a profit of $10,000. Bonds of the Province of Manitoba have been bought to the extent of $50,000 to yield 6½% for ten years, and City of Toronto bonds for the same amount have been acquired to yield 6% for about twenty-five years.

"These are instances of the unusual investment opportunities which have been available during recent years and especially during 1918, in which year we invested in bonds other than Dominion war issues, a total of $1,200,698 at interest rates averaging 7%, for terms running from five to forty-four years."

AFTER MORE TAXES

Montreal East Proposes to Tax Non-Resident Factory Workers

The town of Montreal East has a bill before the Quebec Legislature which, if enacted, will give it the power to levy a tax of two per cent. on the annual salary earned by persons who do not otherwise pay taxes to the town.

Those who do not pay their taxes after the legal delay of 20 days provided for in the Cities and Towns Act are to be charged, according to another clause in the bill, the rate of 6 per cent. up to the first of January following. The clause adds: "If such ratepayer has not paid such amount on the said first day of January, he shall be charged an additional amount of six per cent., and so on until full payment and without further notice." It will be noticed that six per cent. per year is not to be charged for the fraction of the first year in which the taxes are not paid. That is, if a citizen owes the town $100 which is due say October the first, and does not pay it, the following January first he will owe $106 instead of six per cent. on $100 for three months, or $1.50, the system followed in other municipalities.

FINDS WESTERN MUNICIPALITIES IN GOOD SHAPE

Believes They Have Bought Their Boom Experience Cheaply

BROADER TAXATION

Single Tax Idea is Being Superseded by a Wider Scheme of Taxation That Will Bring Results

An optimistic report on general business conditions in Western Canada, and particularly with regard to municipal administration, has been brought back East by W. A. Mackenzie, of W. A. Mackenzie & Co., the Toronto bond dealers, who has recently returned from a trip as far as the coast. It is now about five years since Mr. Mackenzie last visited the West and he comes back declaring that he has more confidence in Western Canada than he ever had.

"Business in the West is on a bigger and better scale than it ever was," says Mr. Mackenzie, "and it is real business, not real estate promotions. I should say that it was as good and as sound as in the East. The people are prosperous and are still buying Victory Bonds, which is a sure sign of prosperity."

Bought Experience Cheap

"With perhaps one or two exceptions," states Mr. Mackenzie, "I don't think there is a city in the West in a weak position. If those that are in a doubtful position will only adopt sane plans of administration and levy an adequate tax rate, it will not be long before they find themselves on easy street. Practically all the cities have come back after the collapse of the real estate boom in a remarkable way and I am convinced that the security behind these cities is perfectly good. We are apt to judge their position by incorrect standards, forgetting their great potentialities and opportunities."

Mr. Mackenzie believes that, even if all tax arrears were lost, the Western cities would be buying their boom-time experience very cheaply. As it is, he predicts that at least 50 per cent. and possibly 75 per cent. of these arrears are collectible.

"The impression I have formed is this," he says, "when we consider how practically the whole country went through a boom, the like of which was never known before; how the people went literally crazy over land speculation; how the boom burst and the anticipated results were realized and how the war followed, making it for a time very hard sledding for the municipalities, then I am convinced that, if it only cost 50 per cent. of the tax arrears to have gained that experience and degree of sanity necessary to run cities on a sound, business-like basis, it will be a cheap price to pay."

Mr. Mackenzie referred to the way in which Vancouver ratepayers had defeated money by-laws, even when the purpose for which the by-laws were drawn seemed very necessary, as illustrating how conservatively cities are now being run. He also commented favorably on the steps being taken to broaden the basis of taxation and get away from the inadequate single tax idea. Schemes to spread the arrears of taxes over a period of years are being taken up satisfactorily and give promise of producing good results.

MANITOBA HAS GOOD BALANCE

Province Closed Its Last Fiscal Year With a Favorable Balance of $322,867

Expenditures for the last fiscal year of the Province of Manitoba amounted to $7,308,680, according to the public accounts tabled by Hon. Edward Brown, provincial treasurer, in the legislature this week. These were $262,525 less than the estimated expenditures. Receipts were $7,631,548, these falling short of the estimated revenue by $23,799. There was thus a balance on the right side of $322,867. The succession duties yielded $102,500 less than had been estimated; the public assessments tax, $90,000 less and the provincial levy $125,000 less.

The total cash in hand at the end of the fiscal year for all purposes amounted to $3,382,571, and the capital investments to $4,341,621, making a total of $7,724,192 for cash and capital. While the cash balances for the year had decreased by $480,000, the capital investment had increased by almost two millions, showing a net gain for the year of $1,357,340.

R.C. Matthews & Co.
Government and Municipal Bonds
C.P.R. BUILDING
TORONTO

McDonagh, Somers & Co.
Government and Municipal Bonds
Dominion Bank Bldg.
TORONTO
Canada

Housser, Wood & Co.
Canadian Municipal Bonds
Union Bank Bldg. Toronto

VICTORY BONDS
even at advanced prices are still exceedingly attractive. We would appreciate being favored with your orders.
R. A. DALY & CO.
Bank of Nova Scotia Bldg.
TORONTO

W. L. McKinnon Dean H. Pettes
We will buy
VICTORY BONDS
at market prices.
Quotations gladly given on request.
W. L. McKinnon & Co.
McKinnon Building
TORONTO

W. F. Morgan-Dean Geo. R. Harris
WE OFFER
Whalen Pulp & Paper First Mortgage Bonds, due 1st May, 1920, to yield 6¼%.
Morgan-Dean, Harris & Co.
Investment Bankers
Bank of Hamilton Bldg., Hamilton, Ont.

Municipal Finance

—Now that the war is over—it seems reasonable to expect that normal conditions will soon return and permit Municipalities to issue loans of a more permanent and conservative character.

—Therefore present financing should be for short periods of not more than, say, five years.

—We are open to purchase total new issues of Government and Municipal Bonds of such short maturities.

RENE-T. LECLERC
Investment Banker
160 St. James Street Montreal
ESTABLISHED 1901

From 5½% To 6⅝%

We have some very desirable, well-secured investments, yielding returns as above. Write now for list.

C. H. Burgess Co.
Bank of Hamilton Bldg.
TORONTO

ERICKSON PERKINS & CO.
Members New York Stock Exchange
STOCKS AND BONDS
Private Wires
6 KING STREET WEST
TORONTO

Profits

are regulated by the extent of efficiency in your business.

A small investment with us ensures big returns.

Carl B. Prosser & Co.
Efficiency Engineers
1011-12 C.P.R. Building, Toronto
Telephone Adel. 5668

OUR ADVICE

Do not do anything in the line of Buying, Selling or Leasing Real Estate without consulting our Real Estate Department. It will save you money.

Chartered Trust and Executor Company
46 King Street West, - Toronto
Frank McLaughlin, Superintendent

5% AND ABSOLUTE SECURITY

Over 200 Corporations, Societies, Trustees, or Individuals have found our Debentures an attractive investment. Terms one to five years.

The Empire Loan Company
Winnipeg, Man.

FIELD OF MUNICIPAL FINANCE

NEW MUNICIPAL ACT BEFORE B.C. LEGISLATURE

May Not Be Passed at This Session of the House, However

LAID OVER A YEAR

Makes Many Drastic Changes and Places Municipalities Under Control of Local Government Board

VICTORIA.—The new British Columbia municipal act now before the Legislature is in many respects the most important bill of the session. It contains provisions which embrace many radical proposals, including the placing of Municipal Governments under the direction and supervision of a local Government board. So much discussion will likely take place over the measure that it may eventually be laid over for a year.

The present plan of the Government is to combine the proposed public utilities commission and the local Government board in one body of three men. The suggestion that the new municipal bill may not become law is based partly on this very fact, as it is considered that the proposed new board would have its hands full for the next year in clearing up questions relating to rates charged by the public service corporations of the province and would have no time just now to go into purely municipal questions.

In a year's time, however, the problems relating to public utilities control might conceivably be reduced to a minimum and the board or commission could then assume its duties as a local Government body as well. For this reason then, there is a strong possibility, it is said, of the new municipal bill being laid over for another year.

The proposed measure has already been accepted, in its principles and general features, by the Union of British Columbia Municipalities at that organization's convention in Penticton last autumn.

Crown Prosecutors

The substance of the main body of the bill is very much as before, except that it is rearranged and a great deal of it is redrafted to take care of points where the wording of the existing act gave rise to difficulties. The Municipalities Incorporation Act is included with the Municipal Act and also provisions in substitution for the present Local Improvement Act.

The sections relating to Government and procedure, constitution of councils, boards of control, parks, ferries, high-ways, compensation for the taking of or injury to lands, trade licenses, statute labor, are practically unchanged.

The feature of the proposed bill, which most intimately affects municipal councils is the provision for the appointment of the local Government board with substantial powers of supervision and initiative in connection with municipal by-laws. The board is given the power of direction in connection with bookkeeping and accounting, inspection and auditing and holding of enquiries in connection with any matter where it appears to them that the conditions may warrant an enquiry. It is also given powers of supervision in all the financial operations of the municipality. It may direct the manner in which estimates for the year shall be prepared and the extent to which the estimates must be adhered to by the council. All municipal borrowings are subject to the approval of the local Government board. The latter is trustee of the sinking funds of the municipalities and may take such steps as deemed advisable to enforce the payment of monies due to the sinking fund. A penalty is imposed upon councils for the expenditure for any other purpose of monies which should be devoted to the sinking funds. Generally throughout the bill the discretionary powers formerly vested in the lieutenant-governor-in-council are given to the local Government board.

Substantial charges are proposed for the preparation of the assessment roll and the collection of taxes by sale of lands. It is proposed that that assessment roll shall be based entirely upon the records of the land registry office and that no ownership shall be recognized unless registered in the land registry office. Provision is made for a compulsory tax sale every year and radical changes are proposed for the manner in which title is acquired through tax sale. Immediately upon the sale all rights of the former owner ceases, except that land is subject to redemption and that during the year allowed for redemption the owner remains in possession and may bring action to void the sale upon certain grounds. At the expiration of the year for redemption the rights of the owner in the land absolutely cease and a certificate of indefeasible title automatically issues to the purchaser. A further measure of protection is given, however, to the former owner in so far that although he has no further rights in the land he may bring action in damages against the municipality if it can be shown that the land was not liable to taxation or that the taxes were paid, or that the land had been redeemed within the time allowed, or that the municipality had been delinquent in the giving of notices.

Money By-laws

Those investors who wish to keep in touch with the municipal bond market will find this department useful. It aims to be accurate and convenient. THE FINANCIAL POST makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of contemplated bond issues.

TENDERS WANTED

Feb. 24, Petrolia.—$10,000, 7 per cent. 10-instalment debentures of the town of Petrolia.—John McHattie, Town Clerk.

Feb. 27, Burlington. — $30,000, 6 per cent. debentures of the town of Burlington.—B. S. Hicks, Town Clerk.

Feb. 21, Alberta Schools—$17,300 in seven blocks of school debentures, all being 7 per cent. and in maturities varying from 8 to 15 years.—J. T. Ross, Deputy Minister of Education, Edmonton.

BY-LAWS PASSED OR DEFEATED

Wellington County.—$25,000 for the purpose of provincial country road, No. 13, passed by council.

Ottawa.—$150,000 for new bridge over Rideau Canal at Somerset Street, passed by council, Feb. 3.

Carleton County.—$40,000 to be spent on good roads this year, passed by council.

Brockville.—$31,000 for various patriotic purposes, passed by council, Feb. 3.

BRITISH COLUMBIA

The following certificate has been issued by the Municipal Department of the Province of British Columbia under date of November 22, 1918:

The Corporation of the District of Penticton—Debentures Nos. 886-935, $500 each, and 936-1035, $100 each, issued under Irrigation Loan By-law No. 180, payable May 1st, 1943, with interest at 6% payable half yearly.

The following certificate has been issued by the Municipal Department of the Province of British Columbia under date of January 13, 1919:

The Corporation of the District of Summerland Irrigation Loan By-law No. 98, $35,000, payable November 1st, 1930, with interest at 8% payable half yearly.

SASKATCHEWAN

The following is a list of debentures reported sold from January 27th to February 1st:

School Districts—Montague S.D., $2,950, Waterman, Waterbury Mfg. Co. xParagon S.D., $1,500, Wood, Gundy & Co., Saskatoon. xScalat S.D., $2,000, Can. Landed & National, Winnipeg. xCarmichael Village S.D., $2,500, W. L. McKinnon & Co., Regina. xHorse Lake S.D., $1,900, W. L. McKinnon & Co., Regina. Carnduff S.D., $800, Regina Public School Sinking Fund. Rosemary S.D., $2,800, Can. Landed & National, Winnipeg.

xBeing sold by the local Government Board.

Rural Telephone Companies — Roseville, $9,550, Somerville & Olson. Naisberry, $7,500, Birkett & Co., Toronto. Horse Lake, $1,200, Nay & James. Southcote, $475, Nay & James. Maymont, $4,800, Nay & James.

Towns—Lumsden, $7,000, Royal Bank of Canada. Battleford, $1,000.

BOND SALES

$4,700 Asbestos at 76 to 75; $1,000 Can. Bread at 94½; $200 Can. Cement at 98; $1,000 Can. Cotton at 80⅝; $1,000 Can. Converters at 90; $1,000 Cedar Rapids at 87½ to 87; $10,000 Cons. Rubber at 95; $5,000 Dominion Iron at 88 to 87¾; $500 Dom. Textile "A" at 98; $1,000 Dom. Textile "D" at 98; $1,000 Lake of Woods at 102¼; $10,700 Montreal Trams. debs. at 76 to 74; $5,000 Nat. Breweries at 90; $11,000 N.S. Steel at 83½; $1,000 Ogilvie Flour "B" at 102¾; $2,500 Sherwin-Williams at 98 to 95; $2,000 Steel of Canada at 94¾; $15,100 Wayagamack at 87 to 86; $18,400 War Loan (1925) at 97½ to 96; $35,000 War Loan (1931) at 96¾ to 96; $85,400 War Loan (1937) at 97⅞ to 97; $694,850 Victory Loan (1922) at 102 to 99⅞; $475,675 Victory Loan (1923) at 100¼ to 99⅞; $75,200 Victory Loan (1927) at 101 to 100⅝; $1,245,200 Victory Loan (1933) at 102 to 101⅜; $215,910 Victory Loan (1937) at 103 to 100½; $72,300 Montreal (1923) at 102 to 100½; $400 Montreal (1922) at 100⅝ to 100½.

SASKATOON HAS RAISED ITS RATE ON IMPROVEMENTS

Adds Ten Per Cent. to Previous Assessment of 25 Per Cent.

YORATH RECOMMENDS

Proposal is That Rate Shall Be Gradually Raised Until It Reaches Sixty Per Cent.

SASKATOON. — At the session of the city council on February 3, an increase of 10 per cent. in the assessed value of improvements for the civic assessment of 1920 was authorized. This action is indicative of the gradual swinging away on the part of Western Canadian municipalities from the idea of the single tax. The present assessed value of improvements in Saskatoon is 25 per cent., but it was the opinion of the council that an increase would have to be made by the municipalities or else they would be compelled to take it by legislative action.

Yorath's Report

Commissioner Yorath introduced the subject with the following report to the city council:

"In accordance with the council's instructions, the mayor, Alderman Lynd and your commissioner went to Regina last Wednesday to interview the Government in reference to

"(a) The proposed amendment to the City Act which would compel an increase in the assessed value of improvements to 60 per cent.;

"(b) The proposed act which would enable the city to submit a bylaw to the ratepayers upon the question of one-man street cars;

"(c) Enacting legislation at this session of the legislature which would enable municipalities to take advantage of the Dominion Government's loan for housing purposes.

"Regarding the proposed amendment to compel cities to increase their assessment on improvements to 60 per cent., the indications are that this amendment will be withdrawn.

Increase Recommended

"Your commissioner has, during the past two years, recommended an increase in the assessed value of improvements so as to gradually increase it from 25 per cent., the present percentage, to 60 per cent.

"There is no doubt that the municipality which adopts this course will eventually be in a better financial position than those municipalities which only assess a small percentage of the value of improvements. For instance, Moose Jaw at present assesses 45 per cent. of the value of improvements.

"It is recommended that this city increase the assessed value of improvements during 1920 from 25 per cent. to 40 per cent."

Alderman Clare was in favor of having the assessment on buildings remain as it is. Mayor MacMillan thought there should be a slight increase.

Waiting for Cities to Act

Commissioner Yorath said that the Government is waiting for the municipalities to take some action, and if the municipalities did not act the Government would. He told of how both Edmonton and Vancouver, the only cities in Canada to adopt the single tax, are getting back to assessing on improvements and recognizing that the only safe method of taxation is based on the ability to pay.

Alderman Wilson asked several questions as to whether the assessment on outside property would go down and the taxes on inside property go up if the assessment was increased on improvements, and said that he thought the Western method of taxation was better suited to the west than the Eastern method.

Commissioner Yorath said that even in the boom times the method in force in Saskatoon was not the best one, as it resulted in over development, as there was not demand enough to meet the supply of new buildings, and the men who had invested their money in these new buildings had to carry them at a heavy loss for years.

THE VICTORIA LOAN AND SAVINGS COMPANY
LINDSAY - - - ONTARIO

Twenty Third Annual Report

The Directors of the Victoria Loan and Savings Company have pleasure in submitting herewith their Twenty-Third Annual Report showing the result of the Company's operations for the past year, accompanied by the Balance Sheet to December 31st, duly audited.

After deducting interest charges, cost of management, war taxes and all other charges, the balance available for distribution is $79,794.81, made up of the net profits, $58,773.74, and Premium on Capital Stock sold, $15,757.26. Out of this were paid four quarterly Dividends at the rate of 7 per cent., and a bonus of ½ of 1 per cent. (making the total dividend for the year 7½ per cent.) $35,000 was added to the Reserve Fund, and the balance carried to Profit and Loss Account. Had it not been for largely increased charges in the form of war taxes payable to the Dominion Government, the Profit and Loss Account would have shown a still more satisfactory balance. The Shareholders will be pleased to learn that it is the intention of your Directors to increase the Dividend to 8 per cent., commencing January 1st, 1919. As the authorized Capital Stock is all issued and sold, a By-law will be submitted for your approval, increasing the Capital Stock of the Company from $500,000 to $1,000,000.

During the past year the Company's Assets increased by $295,673.67, bringing the total Assets up to $2,508,626.59, while the Reserve Fund now stands at $250,000 or 50 per cent. of the Paid-up Capital.

It is with exceeding gratification that we are able to present a report which is in all respects the best in the Company's history.

All of which is respectfully submitted.

WILLIAM FLAVELLE,
President.

Lindsay, January 11th, 1919.

BALANCE SHEET FOR THE YEAR ENDING DECEMBER 31st, 1918.

ASSETS—		
Cash on hand and in banks	$ 185,220.23	
Mortgages and Bonds with acc. int.	2,298,231.51	
Other investments	18,874.85	
Company's Office Building	6,300.00	
		$2,508,626.59
LIABILITIES—		
To the Public:		
Deposits and debentures with acc. int.	$1,666,958.93	
Due on Loans in process of completion	800.00	
Balance due Government (Victory Loan)	70,000.00	
		$1,737,758.93
To the Shareholders:		
Capital Stock Paid-up	$ 500,000.00	
Reserve Fund	250,000.00	
Dividend No. 66, due January 2, 1919	10,751.40	
Unclaimed dividends	7.00	
Balance at credit Profit and Loss Account	10,109.29	
		$ 770,867.66
		$2,508,626.59

Progress Recorded in President's Address.

The President's address read at the Annual Meeting on Feb. 4th contained the following encouraging note of progress:

"Comparisons are always illuminating and if we will turn back for only 4 years and compare the statement then presented, you will notice that our Paid-Up Capital at that time was $400,000, while to-day it is $500,000. Our Reserve fund then was $145,000, against $250,000 to-day. Our deposits and debentures totalled then $655,396 against $1,666,958 at the close of our year. Our total assets for four years ago were $1,221,047 against a total as shown by the report to-day of over $2,500,000. This is a record that properly carries with it a sense of pride and indicates as nothing else can the growing confidence and good will of the community."

The Travellers Life Assurance Company of Canada
Head Office: - - Montreal

RESULTS FOR 1918

		Increase
Policies issued and revived	$2,121,667	23%
Gross insurance in force	6,546,176	21%
Net premium income	204,071.10	34%
Total assets	521,863.36	23.5%

TABLE OF GROWTH DURING LAST FIVE YEARS

Year	Insurance Issued and Revived	Net Insurance in Force
1914	$1,394,505	$2,946,552
1915	1,529,266	3,292,204
1916	1,589,983	3,719,391
1917	1,726,930	4,404,016
1918	2,121,667	5,515,064

Year	Net Premium Income	Assets
1914	$ 75,256.87	$237,599.82
1915	102,369.78	284,133.27
1916	122,890.03	346,814.76
1917	151,966.75	422,552.23
1918	204,071.10	521,863.36

SPECIAL FEATURES

Average rate of Interest Earned on Investment, including Cash in Banks—6.59%

Payments to Policyholders plus Increase in Policy Reserves equalled 76.8% of Net Premium Income.

OFFICERS:

President	HON. GEO. P. GRAHAM
Vice-Presidents	JAMES W. PYKE, LORNE C. WEBSTER
Secretary & Actuary	ARTHUR P. EARLE, A.I.A., A.A.S.
Chief Medical Adviser	A. E. GARROW, M.D.
Solicitors	GREENSHIELDS, GREENSHIELDS LANGUEDOC & PARKINS
Auditors	RIDDELL, STEAD, GRAHAM & HUTCHISON, C.A.

SASKATOON'S BUDGET FOR 1919 INTRODUCED

Assessment Reduced by Nearly a Million and Tax Rate Up Half a Mill

The annual budget submitted at the first meeting of the 1919 city council of Saskatoon by Commissioner Yorath contained several interesting features. The assessed value of land in the outlying districts having again been reduced, the estimated assessment for 1919 is $29,000,000, as compared with $29,946,724 in 1918. The general tax rate will require to be 17.70 mills or one-half of one mill more than last year. However, the total general tax levy at $513,300 will be $1,783 less than in 1918.

The following are some of the principal increases in expenditure over the expenditures of last year which have been provided for in the 1919 estimates:

Increase in wages:	
Public utilities	**$25,000**
Fire department	**8,214**
Police department	**6,950**
Administrative offices	7,650
Streets and sidewalks maintenance	10,550
Cleansing department	4,898
Depreciation	21,213

The total amount of the general tax levy for 1919 is $513,300, compared with $515,083.65 in 1918, and $759,435.75 in 1913.

"The reason why the above increases in expenditures can be made next year without increasing the tax levy," says Commissioner Yorath, "is due to the fact that surplus of $34,207 is being carried forward from 1918 into the general revenue of 1919, whereas a deficit on current account of $555 was carried forward in 1918 from 1917, and in addition it is not necessary to make provision to pay penalties on arrears of taxes to the school boards, as was the case in 1918—i.e., an amount of $20,750.

"Your commissioner particularly wishes to emphasize the inadvisability of increasing the tax levy without broadening the basis of taxation and unless the taxes are imposed according to the two principles of "ability to pay" and "benefits received."

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date	Place and Purpose	Purchaser	Rate	Term	Amount	Price	Basis
Feb. 1	Saskatchewan Schools	Various (see list above)	....	......	$ 14,450	......	......
" 1	Saskatchewan Phones	Various (see list above)	....	......	23,525	......	......
" 1	Lumsden, Sask.	Royal Bank of Canada	....	......	7,000	......	......
" 1	Battleford, Sask.	....	....	......	1,000	......	......
" 1	Rochester Township	....	6%	15-ins.	4,000	......	......
" 7	Hawkesbury, Ont.	Wood, Gundy & Co.	6%	30-ins.	109,000	101.19	......
" 10	Pembroke, Ont.	W. L. McKinnon & Co.	6%	30-ins.	50,000	102.981	......
" 11	Toronto, Hydro	Aemilius Jarvis & Co.	5½%	20-ins.	650,000	100.83	5.40%
" 11	Edmonton, Alta.	Aemilius Jarvis & Co.	6%	5-yr	1,130,000	98.94	6.25%
" 10	Perth, Ont.	W. L. McKinnon & Co.	6%	20-ins.	6,956	101.135	......
" 10	Chatham Township	Brent, Noxon & Co.	6%	10-20	19,000	......	......
" 10	Colchester S. Township	Brent, Noxon & Co.	6%	10-ins.	4,000	......	......
" 10	Cobden, Ont., Hydro	W. L. McKinnon & Co.	6%	30-ins.	5,500	......	......

The Keystone of the Arch

Nothing known in building is stronger than the arch—the symbol of the mutual principle in life insurance. The centre of the arch is the keystone—and "The Keystone of a Life Insurance Organization," says W. O. Chapman, "is Management." The three leading constituents in good management are INTEGRITY, ECONOMY and EFFICIENCY. It is well known that the secret of the extraordinary success of the Mutual Life of Canada has been the rigid adherence of managers and directors through fifty years of history to these essential things. It is due to these that in spite of more than four years of devastating war, followed by a blighting pestilence, with the immense losses entailed, yet the strength of the Mutual Life of Canada is unshaken. The keystone ensures the solidity of the organization, and there is no other better qualified to defy the tooth of time than—

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA
WATERLOO : : ONTARIO

SOLID GROWTH

Up-to-date business methods, backed by an unbroken record of fair-dealing with its policyholders, have achieved for the Sun Life of Canada a phenomenal growth.

Assurances in Force have more than doubled in the past seven years, and have more than trebled in the past eleven years.

To-day they exceed by far those of any Canadian life assurance company.

SUN LIFE ASSURANCE
COMPANY OF CANADA
HEAD OFFICE—MONTREAL

THE
STERLING TRUSTS CORPORATION

Pres.: E. F. B. Johnston, K.C.
Vice-Pres.: John Firstbrook, W. H. Wardrope, K.C., H. Waddington.
Manager: Chas. Bauckham.
Regina Manager: Lorne Johnson

A Complete and efficient organization to handle all kinds of Trust and Executor Business.

Correspondence Invited.
10-12 King St. E.

HEAD OFFICE - TORONTO

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, MAN.

TOTAL ASSETS $2,387,634.14

A Canadian Company Investing its Funds in Canada

APPLICATION FOR AGENCIES INVITED

The Independent Order of Foresters

Furnishes a Complete System of Insurance

Policies issued by the Society are for the protection of your Family and cannot be bought, sold or pledged.

Benefits are payable to the Beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.

Policies issued from $500 to $5,000. For further information and literature, apply to

Benefits Paid 63 Million Dollars

FRED J. DARCH, Secretary
W. H. HUNTER, President
S. H. PIPE, F.A.S., A.I.A., Actuary
HEAD OFFICE - - - TORONTO

5½ INTEREST RETURN

INVEST YOUR SAVINGS
In a 5½% DEBENTURE of The Great West Permanent Loan Co

SECURITY
Paid-up Capital $2,412,566.31
Reserves 756,580.13
Assets 7,168,537.29

HEAD OFFICE, WINNIPEG
BRANCHES: Toronto, Regina, Calgary, Edmonton, Vancouver, Victoria, Edinburgh, Scotland.

These Questions Affect *YOU* Can You Answer Them?

1. Will the ending of the war help or hurt the price of such stocks as Baldwin, Bethlehem Steel, Midvale, etc.?
2. Are the coppers "peace" stocks or "war" stocks? What class do the automobile stocks come in? The oils?
3. Among the rails, are the standard dividend-payers or the low priced non-dividend payers the thing to buy?
4. As the war draws to its end, what is likely to be the course of interest rates? How will that affect the price of bonds?
5. Which are the best bonds to hold—the high-income producers or the old line investment issues?
6. Are short term notes or long term bonds the better proposition at present?
7. Does the putting into effect of the new tax law mean a general reduction in industrial dividends?
8. Can the stock market rise in the face of the tight money situation?
9. New influences on security prices are beginning to become operative. Do you know how to go about adjusting your investments so that you will be helped and not hurt?

Questions such as the above are intelligently discussed and definitely answered in every issue of *The Investment Weekly*. Can you afford to be without it?

Send for circular No. 6 and free sample copy or, better yet, send one dollar for ten weeks' trial subscription.

THE INVESTMENT WEEKLY
42 BROADWAY NEW YORK

REAL ESTATE AND INSURANCE

BUILDING DURING JANUARY PROVED DISAPPOINTING

Permits Issued by Thirty-Four Cities Decline by $434,000

CALGARY'S SLUMP

Toronto Fell Back Considerably, and Poor Showings Also Made by Montreal and Victoria, B.C.

Comparing the building situation in Canada during January as revealed by the building permits issued by the cities of the Dominion, with the situation a year ago, it can scarcely be claimed that that burst of activity in construction which was to have followed the ending of the war has been realized. In fact, considering the open winter this year, which has certainly been favorable for the carrying on of new operations, the results are distinctly disappointing. Thirty-four cities reporting to THE FINANCIAL POST give as their aggregate of permits issued last month the sum of $1,128,001. A year ago the total for the same cities exceeded a million and a half, or $434,000 more.

Of course, there are modifying factors which must not be overlooked. For example, the city of Calgary in January, 1918, issued over half a million in permits, while this year a paltry $18,000 covered the month's business. This decline alone was sufficient to account for more than the drop registered by the thirty-three cities combined. Even so, however, the fact that the 1919 showing was no better than the 1918 showing when the war was on and the weather was bad, is not particularly encouraging. There is evidently a strong disposition on the part of those who might embark on building undertakings to hold back in the hope that costs of materials may come down.

The Month's Changes

A glance at the table accompanying this article shows that the twenty-three eastern cities reporting enjoyed a gain of $52,668, eleven cities being ahead and eleven behind the 1918 record. Toronto makes the poorest showing, its total for the month of $225,375 being $184,590 less than in January a year ago. Montreal with permits of only $60,154 was $55.956 behind. Fort William dropped from $80,000 to $500, or $79,500. All the other declines, however, were small, ranging from $710 in the case of Woodstock to $13,264 in the case of Port Arthur. St. John, Westmount and Woodstock issued no permits at all.

On the side of gains, Hamilton stands first, its total being $174.250 against $51,242. Kitchener was up from $3.600 to $99.600. Halifax with $137.295 took third place in Canada for the value of its permits and registered a gain of $74.825. Favorable showing was also made by Galt, Ottawa and Windsor.

Among western cities, Calgary's slump has already been noted. Other changes were very slight. Winniueg with permits of $99,400 had a gain of $58,300. Vancouver with $78,197 was up $25,072. On the other hand, Victoria dropped back from $103,380 to $15,875. Figures in detail are given in the accompanying table.

BUILDING PERMITS MONTH OF JANUARY
Eastern Cities

	Jan. 1919	Jan. 1918	Change
Maritimes—			
Halifax	$137,295	$ 62,470+	$ 74,825
Sydney	14,155	8,810+	5,345
St. John	......	......	......
Quebec—			
Montreal	60,154	116,110—	55,956
Quebec	20,095	30,572—	10,477
Westmount	......	1,500—	1,500
Ontario—			
Brantford	2,650	2,000+	650
Chatham	3,800	......+	3,800
Fort William	500	80,000—	79,500
Galt	25,000	......+	25,000
Hamilton	174,250	51,242+	123,008
Kingston	2,267	5,195—	2,928
Kitchener	99,600	3,600+	96,000
London	17,530	17,150+	380
Ottawa	50,350	8,875+	41,475
Port Arthur	3,588	16,852—	13,264
Stratford	180	2,945—	2,765
St. Catharines	17,780	3,035+	14,745
St. Thomas	3,200	550+	2,650
Toronto	225,375	409,965—	184,590
Welland	15,255	20,410—	5,155
Windsor	26,550	4,915+	21,635
Woodstock	.....	710—	710
Total 23 E. cities	$899,574	$846,906..	$ 42,668
Western Cities			
Alberta—			
Calgary	$ 18,000	$505,000—	$487,000
Edmonton	4,000	2,400+	1,600
Lethbridge	.....	2,640—	2,640
Manitoba—			
Winnipeg	99,400	41,100+	58,300
Saskatchewan—			
Regina	4,100	700+	3,400
Saskatoon	1,920	5,100—	3,180
Swift Current	635	.....+	635
Moose Jaw	800	.....+	800
British Columbia—			
N. Westm'ster	5,500	1,650+	3,850
Vancouver	78,197	53,125+	25,072
Victoria	15,875	103,380+	87,505
Total 11 W. Cities	$228,427	$715,095—	$486,668
Grand total 34			

SOME BIG FIGURES

Sun Life Wrote Over Fifty Millions of New Business in 1918.

While the annual meeting of the Sun Life Assurance Co. does not take place until March 4, figures covering the business done in 1918 and showing the position of the company at the end of the year have already been issued. Assurances issued and paid for in 1918 reached the huge total of $51,591,392, comparing with $47,811,567 in 1917, or an increase of nearly $4,000,000. Business in force was brought up from $311,870,945 to $340,809,656 or by $29,000,000.

The company's assets now amount to $97,620,378, which represents a gain of approximately $7,500,000. Income at $21,651,099 was larger by $2,500,000, while payments to policyholders of $9,768,564 were more than $900,00 greater than in 1917. Profits allotted to policyholders were $1,546,607, being practically the same as in 1917. There was a decline in the surplus from $8,550,761 to $8,027,378.

U.S. TO CONVERT SOLDIERS' INSURANCE

The Policies May Be Changed Within Five Years Into Any One of Six Kinds

WASHINGTON.—Conditions under which soldiers or sailors now holding Government life insurance may convert these policies within five years into other forms which can be carried with the Government during their lifetime were announced last week by Col. Henry D. Lindsley of the War Risk Insurance Bureau. Rates will be made public soon, and the new policies will not be available until then.

There will be six kinds of insurance: ordinary life, twenty payment life, thirty payment life, twenty year endowment, thirty year endowment and endowment payable at the age of 62. All policies will contain clauses providing that in cases of permanent total disability of the insured man the Government will make monthly payments to him and premium payents will cease. This amounts virtually to old age pensioning and disability insurance and insures that no man who has served in the army or navy need ever be destitute if he carries the Government insurance.

Dividends to be Declared

All policy holders will participate in dividends and earnings of more than 3½ per cent. from the insurance fund will go into dividends. Since the reserves will be invested in Government securities. most of which will pay in the neighborhood of 4½ per cent., it is certain that there will be large dividends to be returned periodically to policy holders.

Collections of premiums will be made through postmasters in each community.

Although the rates have not yet been announced, Col. Lindsley stated to-day they would be so low that officials of private insurance companies who assisted in drafting the rate schedule had admitted their companies could not compete with them.

Any man now in military or naval service holding Government term life insurance can obtain the new forms but the amount will be limited to his present holdings, which in no case can be more than $10,000. The Government urges all men to continue to carry their present policies, but to convert these as soon as they are financially able within the next five years.

The Government itself and not private companies will carry these converted policies, it was emphasized to-day, in denial of reports that the insurance business built up on the lives of fighting men during the war would now be turned over by the Government to private concerns.

Open to Future Patriots

Thus will be created a permanent Government life insurance agency the biggest in the world, furnishing protection at cost to men who participated in the war and future members of the regular army or navy with postmaster agents in every city and town in the United States.

The War Risk Insurance Bureau reported to-day that 4.480,000 policies already have been issued to soldiers and sailors for insurance aggregating $39,232,000.000, or an average of $8.756 on each man. The volume of this business may be determined by comparison with the $27.000.000,000 total of life insurance carried by private companies in the United States. according to figures cited to-day by bureau officials.

NORTHERN LIFE PASSES THROUGH A TRYING YEAR

Writes Slightly More New Business Than in Previous Year

INCOME INCREASED

Directors to Suspend Payment of Dividend to Shareholders Pending Return to More Normal Conditions

In respect to new business issued and gain in insurance in force, the 1918 figures of the Northern Life Assurance Co. of Canada approximate fairly closely to those of the previous year. Thus, the business issued amounted to $3,452,440 in 1918 and to $3,420,142 in 1917 and the gain in insurance in force to $1,282,169 in 1918 and $1,248,651 in 1917. The company has now in force insurance to the value of $13,717,395.

Death losses were of course very heavy. The statement does not separate these from other payments to policyholders but the directors' report refers to losses of $80,424 on acount of the war and $85,409 on account of the influenza. Total payments to policyholders were $239,332, as compared with $201,866 in 1917. Death claims awaiting proof amount to $75,509, as against $35,461 a year ago.

There was a substantial increase in income. Thus premiums brought in $493,240 or over $40,000 more than in 1917 and from interest, dividends, etc., there was derived $178,375 or $2,000 more. Total income was $674,779. Against this must be placed general business expenditure of $230,762 and dividends to shareholders of $29,399. Allowing for the payments to policyholders there was an excess of income over expenditure of $175,285, which is practically the same as in 1917. Incidentally it might be stated, that on acount of the heavy death losses incurred the directors have deemed it prudent to stop payment of the usual dividend, but they hope at an early date to resume these payments.

Assets of the company have been maintained at $3,090,373, of this amount $1,190.310 is in mortgage loans and $1,113,807 in bonds and stocks. The former shows contraction and the latter expansion since 1917. Policy loans at $330,619 are slightly less than a year ago. The net insurance reserve has been increased from $2,232.442 to $2.447.536 and contingent reserve fund from $39.895 to $46.918. The surplus over all liabilities and paid-up capital is $12.423, which compares with $72,894 at the end of 1917. With the suspension of the dividend and a return to a more normal death rate, this decline should be readily recovered.

BIG INCREASES FOR TRAVELLERS' LIFE

Net Premium Income Increased 34% in Year—Net Insurance Over $5,500,000

Satisfactory progress was reported at the annual meeting of the Travellers' Life Assurance Company this week. This applied especially to the increase in net premium income of 34%, the total for the past year being $204,071. The value of the policies issued and revived during the year amounted to $2,121,667, making the total insurance in force $6,546,176, an increase of 21% for the year. It was reported that the average rate of interest earned on investments, including cash in the banks, was 6.59%. The payments to the policy holders, including the increase in policy reserves, was equal to 76.8% of the net premium income.

During the past five years, comparative figures show a steady growth on the part of the company. During 1914 the insurance issued and revived amounted to $1,394,505, so that there was an increase of over 50% during the period up to last year. The net insurance in force in that period increased from $2,946,552 to $5,515,064. The net premium income rose in the five years from $75.256 to $204,071, an increase approaching 200%. The assets of the company rose in value from $237,599 to $521,863, more than doubling. The figures for 1918 show an increase of 23.5% alone over those of 1917.

At the meeting the old Board of Directors was re-elected, with one change. Sir Wm. Reid replacing the late Senator Richardson. The following officers were elected: President, Hon. G. P. Graham; vice-presidents, James W. Pyke and Lorne C. Webster; secretary and actuary, Arthur P. Earle, A.I.A., and chief medical adviser, Dr. A. E. Garrow.

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HEAD OFFICE. HAMILTON, CANADA.

The Order furnishes life insurance to members in accordance with the Standard of the Government of Ontario. Sick and funeral benefits are also given if desired.

No charters are granted to Local Councils outside of Canada. Being confined to this healthful Northern Zone, the death rate is small and rates proportionately low. The Order has already paid over five million dollars in death and disability claims, and over five hundred thousand dollars in sick and funeral benefits.

Over 600 Councils in Canada. If there is not one in your locality there should be. For full information write to any of the following officers:

Dr. J. W. Edwards, M.P., Grand Councillor.
W. F. Montague, Grand Recorder.
W. F. Campbell, Grand Organizer.
J. H. Bell, M.D., Grand Medical Ex.
HAMILTON - ONTARIO

British America Assurance Co.
Fire, Marine, Hail and Automobile Insurance.
HEAD OFFICE - - LONDON
BOARD OF DIRECTORS: W. B. Meikle, President and General Manager; Sir John Aird, Robert Bickerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton (New York), D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Z. A. Lash, K.C., LL.D., Geo. A. Morrow, O.B.E., Lt.-Col. the Hon. Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, C.V.O., E. R. Wood.
Assets, over - - $3,500,000.00
Losses paid since organization, over - $43,000,000.00

Western Assurance Company
Fire, Marine, Explosion and Automobile Insurance.
Incorporated 1851
HEAD OFFICE, TORONTO, ONT.
Assets over - - $6,000,000.00
Losses paid since organization over - - $70,000,000.00
BOARD OF DIRECTORS: W. B. Meikle, President; Sir John Aird, Robert Bickerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton (New York), D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Z. A. Lash, K.C., LL.D., Geo. A. Morrow, O.B.E., Lt.-Col. the Hon Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, C.V.O., E. R. Wood.

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Route Your Shipments CANADIAN NATIONAL

Aggregate value of the war contracts executed and delivered by the Baldwin Locomotive Works and its associated companies, Standard Steel Works Co., Eddystone Ammunition Corporation, and Eddystone Munition Co., to all the belligerent nations, including our own, was approximately $250,000,000. The material supplied consisted chiefly of locomotives, shells and other munitions, and gun mounts.

PROVINCIAL PAPER MILLS' PROFITS LESS

Fell From $463,899 in 1917 to Just Over $400,000 Last Year

A GOOD MARGIN

Fair Surplus After Meeting Interest Charges, Providing $75,000 For Depreciation and Paying Dividends

The report of the Provincial Paper Mills Co., Limited, for the year ended December 31, 1918, was made public during the week. As one of the largest producers of book papers in the Dominion, the results of the year's operations will be studied with care by that section of the business world interested in the progress of the pulp and paper industry. It has been a trying year for the paper manufacturers in many respects and for the Provincial Paper Mills particularly it was a difficult one by reason of the closing down of one of their three mills for a considerable period on account of power troubles. As a result it is scarcely surprising to find that net profits for the year have been smaller than in either 1916 or 1917.

Net profits amounted to $404,142, to which may be added $5,290 received as interest and dividends on investment, which brings the total for distribution up to $409,433. This compares with $463,899 in 1917 and $437,804 in 1916. After allowing $7,656 for interest on bonds and notes; $14,659 to cover fire loss at the Barber mill and $75,000 for depreciation on buildings and plant, the sum of $312,117 remained for dividends. The usual 7 per cent. was paid on the preferred stock and 4 per cent. on the common, leaving the year's surplus at $113,117. The year's results in comparison with 1916 and 1917 are as follows:

	1916	1917	1918
Net Profits	$437,804	$463,899	$404,142
Interest earned	......	......	5,290
	$437,804	$463,899	$409,432
Interest Charges	13,206	5,566	7,656
	$424,598	$458,333	$401,776
Fire Loss, etc.	8,004	......	14,659
	$416,504	$458,333	$387,117
Depreciation	......	75,000	75,000
	$416.594	$383,333	$312,117
Dividend	132,962	199,000	199,000
Surplus for year	$283,632	$184,333	$113,117
Balance forward	271,824	554,956	739,289
Surplus	$554,956	$739,289	$852,406

Assets of the company show an expansion during the year of about $330,000. The property account has grown in value from $4,198,622 to $4,231,202, while current assets are up from $911,744 to $1,162,184. Under the latter heading the principal item is investments, which presumably represent the company's stock holdings in the Port Arthur Pulp & Paper Co. A year ago this interest was represented by a loan of $200,000 and stock holdings of $202,000. Since then the loan has been paid off and the Provincial Campany holds stock of a value of $502,000.

Both bills receivable and accounts receivable are considerably larger than a year ago. The former are up from $36,077 to $101,368 and the latter from $319,017 to $397,716. War bonds held are down from $80,400 to $65,000. The inventory of stock, supplies, paper etc., shows an increase from $316,911 to $364,488.

There has been no change in capital stock, which still stands at $2,481,300 common and $1,700,000 preferred. The funded debt shows some contraction. The first mortgage 6's have been reduced from $90,000 to $80,000 and the 6 per cent. notes due 1919-1920 from $49,000 to $40,000. Current liabilities show an increase from $292,688 to $454,167, bills payable amounting to $50,000 and accounts payable and accrued to $354,417. The reserve for depreciation on buildings and plant has been increased from $75,000 to $150,000.

INTERNATIONAL PETROLEUM

Arbitrators have not yet been appointed to adjust the tax differences between the International Petroleum Company and the Government at Peru. It was expected by many that this matter would be brought up at the annual meeting. The subject, however, was not dealt with. The arbitrators have not even been named nor any official statement made by the parties concerned as to when the questions will be dealt with. The meeting was very short, the chief items of business being the adoption of the balance sheet and the re-election of the directors. All the directors will fill the same positions during the coming year as in 1918. There was no announcement made regarding increased dividends or the cuttings of a "melon."

CANADIAN STOCKS

Quotations of listed Securities on the Montreal and Toronto Stock Exchange, with prices at closing on Feb. 13. In stocks listed on both Exchanges prices quoted are those of the market in which a stock is the more active (Reserve Funds, Profit and Loss, include all Reserves except "Depreciation.")

Capital Stock Outstanding	Reserve Fund	Profit and Loss	Net Earnings % 1917	Dividends 1915	Dividends 1916	Dividends 1917	Last Dividend Date 1918-19	Last Dividend Rate	Yield %	BANKS	Range 1915 High	Range 1915 Low	Range 1916 High	Range 1916 Low	Range 1917 High	Range 1917 Low	Range 1919 to Feb. 6 High	Date	Low	Date	Close Feb. 14 1918 Ask	Close Feb. 14 1918 Bid	Close Feb. 13 Ask	Close Feb. 13 Bid	Week ending Feb. 13 High	Low	Close	Sales	Montreal Minimum
4,866,666	3,017,333	428,844	13 70	7	7	8	5th Oct.	s. 4	4.84	British North America	145	145	112	110	112	112													112
15,000,000	13,500,000	1,332,074	17 58	10+2	10+2	10+2	3rd Dec.	2½+1	4.80	Commerce	205	203	203	183	188	182½	215	Jan. 9	201	Jan. 2	185		206½		208½	206	208½	82	185
6,000,000	7,000,000	393,004	17 75	12	12	12	2nd Jan.	q. 3	5.58	Dominion	229½	227	220	204	212½	202	219	Jan. 20	210	Jan. 3			215		215	215	215	34	202
3,000,000	3,300,000	232,421	19 95	12	12	12	2nd Dec.	q. 3	5.97	Hamilton	208	201	197	246¾	192	184	209	Jan. 15	200	Jan. 9		184	201½	200	202	201¼	201¼	72	184
4,000,000	3,700,000	45,022	14 13	9	9	9	3rd Dec.	q. 2¼	5.08	Hochelaga	150	149	149	145	145	140	148	Jan. 15	147	Jan. 13	140				148	148	148	18	140
7,000,000	7,000,000	1,294,942	16 92	12	12	12	1st Feb.	q. 3	5.76	Imperial	214	210	203	180	200½	185	210	Jan 20	202½	Jan. 2			207	206	206½	206	206½	29	185
1,946,806	300,000	145,238	11 15	7	5	5	2nd Dec.	q. 1¼	4.42	Home Bank																			
7,000,000	7,000,000	437,973	17 66	10	10	10	1st Feb.	q. 2¾	5.78	Merchants	180	180	180	150	170	167	192	Feb. 1	180	Jan. 2			193	190½	190½	190	190	76	167
4,000,000	4,800,000	151,826	15 38	11	11	11	2nd Jan.	q. 2¾	5.64	Molsons	202	200	195	182	186	179½	200	Jan. 17	179½	Jan. 3									179¾
16,000,000	16,000,000	1,664,893	15 48	10+2	10+2	10+2	2nd Dec.	q. 2½+1	4.71	Montreal	240	234	240½	219	234	210	216½	Jan 21	212	Feb. 5	210		213½	211½	212½	212½	212½	42	210
2,000,000	2,000,000	59,965	20 88	8	8	8	1st Feb.	q. 2½	6.08	Nationale	132¾	132¾	134	134	149	134													148
6,500,000	12,000,000	560,269	19 92	14	14	14	2nd Jan.	q. 3½	5.18	Nova Scotia	265	261	261	254	257½	248½	272	Jan. 29	255	Jan. 4	248		270		269½	269½	269½	12	201
4,000,000	4,750,000	118 179	15 40	12	12	12	2nd Dec.	q. 3	5.76	Ottawa	207	207	204	202	202	200	208	Feb. 1	203	Jan. 4					208	208	208	17	198
12,911,700	14,000,000	564,264	18 02	12	12	12	2nd Dec.	q. 3	5.71	Royal	223	221¼	221¼	210	214	208	214	Jan. 2	209	Feb. 7	208		210	208	209⅞	208	209⅞	149	208
3,453,240	4,453,290	175,216	19 08	13	13	13	1st Feb.	q. 3¼	6.21	Standard	220	215	221	211¼	215	200	215	Jan. 13	209	Feb. 4			209½		209	209	209	23	200
1,216,932	350,000	0.873	15 38	6	6	6	15th Feb.	q. 1½	6.12	Sterling	98½	98																	
5,000,000	6,000,000	555,306	16 05	11	11	11	2nd Dec.	q. 2¾	5.39	Toronto	211	207	215½	190	192	187½	205	Feb. 4	193	Jan. 6	187		201½	200	204½	201½	201½	260	187
5,000,000	3,400,000	106,624	15 26	8+1	8+1	8+1	2nd Dec.	q. 2¼	5.62	Union	140½	140	140	132	142	135	171	Jan. 7	159	Jan. 31			161	160	160½	160	160	181	136
Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss		1916	1917				TRANSPORTATION—RAILWAYS, NAVIGATION AND STREET CARS																			
27,450,000	8,483,500	50,867,325								Barcelona, T. L. and P.	17⅜	7⅜	17	19	17	8	13¼	Jan 10	10⅜	Feb. 6	9½	9⅛	10¼	10	10¼	10¼	10¼	200	
196,417,800		7,500,000	5,190,986		4	1	1st Mar. 17	q.1		Brazilian Traction L. and P.	59¾	45	62⅝	43	47¾	31¾	55	Jan 16	50	Feb. 4	34¾	34½	50¾	50½	51	50¼	50⅞	693	32
	10,000,000				6	6	1st Jan.	q. 1½		Brazilian Traction, Pref.																			
12,000,000		7,896,366	2,374,754							Canada Steamships Lines, Com	20	6	45	16	45⅝	29¾	45⅞	Jan. 2	41½	Feb. 2	42¾	42	43½	43	45½	42	42½	1,751	39¼
	12,500,000				5¼	19.83	2nd Jan.	q 1¾	8.97	" " " Pref	76½	59	95½	89¾	93¾	71	79¼	Jan. 22	77½	Feb. 4	77½	76½	78	77½	78¼	77½	77½	334	72½
260,000,000	90,681,921	271,934,882	240,909,813		10	10	1st Jan.	q. 2½	6.25	Canadian Pacific Railway	195½	139¾	182½	163¾	167½	127¾	160	Jan. 9			146½	144							
15,000,000		35,326,500	7,978,243		6¾	7¾	1st Dec.	q. 2	6.66	Detroit United	73	62	128½	69	128	104¾													102½
3,500,000	1,500,000	3,500,000	622,670			2	2nd Jan.	s. 1	4 87	Duluth Superior Traction Co., Com	60	55	49	37	51	40													41
12,331,000		4 562,000	1,726,008		3	3				Illinois Traction, Com																			35
	7,289,500				6	6	2nd Jan.	q. 1½	7.50	Illinois Traction, Preferred	93	91	91	87¾	89	79	80	Feb. 1			80								80
20,000,000		16,381 333					1st Nov.'13	q. 1¾		Mexico Tramways Co.																			
25,206,800	12,603,400	87,369,600	19,911,878		7	7	15th Oct.	s. 3½		Minn., St. P. and S.S.M., com	126¾	116½																	
3,394,300		35,608,153	1,256,449		10	10	2nd Jan.	q. 2½	6.66	Montreal Tramways	220	220			181	144													150
9,000,000	4,465,500	14,075,000	2,428 908		5	5	15th Sept.	q. 1¼	6.84	Northern Ohio Traction	73	73																	
3,000,000		3,931,666	173,084				1st Oct. '14	p. 1		Porto Rico Railways Co., Com	51	45	49½	30	42	30	33	Feb. 6					37	34	35	35	35	15	
	1,000,000				7	7	1st Jan.	q 1¾	8.75	" " " " Pref			30		80	80													
5,999,500		10,797,000	684,572				15th Jan.'12	q. 1 p		Quebec Railway L., Heat & P. Co.	20½	9⅛	45	14	35½	14¾	19	Jan. 21	18	Jan. 17	19¼	19	17½		18	17½	17⅛	265	15
12,000,000		2,957,200	6,273,472		8	8	2nd Jan.	q 1	8.71	Toronto Railway	117½	111	111	72	90½	58½	55	Jan. 4	44	Jan. 28	60½	59	46		47	45	45	345	58
22,000,000	3,000,000	20,263,000	1,285,804		6	6	2nd Jan.	q 1	8.70	Twin City, common	101	93	101	93⅜	95	53	46	Feb 5	39	Jan. 2	66	65							
9,000,000		10,880,000	1,407,658				1st Jan.'16	q. 2½		Winnipeg Electric	186½	180	110	90	81	36	45	Jan. 4	35	Jan. 16			48	45	45	45	45	7	48
										TELEGRAPH, LIGHT AND POWER UTILITIES																			
18,000,000		11,149,000	2,181,025		8	8	15th Jan.	q. 2	6.15	Bell Telephone	159	140	152	140	150	129	130	Jan. 2	129½	Feb. 1	130								125
5,336,340					10	10	2nd Jan.	q. 2½	5.62	Consumers Gas	185	176	176	160	165½	147	151	Feb. 1	150	Jan. 4	146¼								144½
1,900,000		2,999,813	177,747							Calgary Power																			
41,380,400			1,918,452		5	1¼	2nd Jan.	q. 1¼	8.00	Mackay, common	70¼	65	69¼	64½	90	70¾	75½	Jan. 3	71½	Jan. 23	76	75	75	74¼	74¾	74¼	74½	221	
	50,000,000				4	4	2nd Jan.	q. 1	6.15	" preferred	46	46	15	15	68	59	65½	Jan. 10	64¼	Jan 28	60½	59½	65½	64½	65	65	65	149	
13,585,000	6,000,000	21,073,833	318 522				30th Dec.'13th	q.1		Mexican Light and Power Co., com																			
63,965,800			1,585,313			4	15th Feb.	q. 1	4.54	Montreal L., H, and Power Cons					82⅞	67½	88¼	Jan 2	84½	Feb. [illegible]		73½	88	87½	88¼	87½	88¼	3,031	68½
3,483,520		1,275,000	805,499		6	6	1st Jan.	q. 1½	7 50	Ottawa, Light, Heat and Power Co.	123	120	95¾	92	92	69¾	80¾	Jan. 30	75	Jan. 18					80	80	80	204	69½
15,000,000		12 8 8 761	2 992 348		7	7	10th Jan.	q. 1¾	6.08	Shawinigan Water and Power Co.	139½	110	137	126¾	130½	107	116½	Jan. 17	114½	Jan. 13	111	110	115¾	115⅝	115½	115	115	690	107¼
										INDUSTRIALS AND MISCELLANEOUS																			
5,000,000	1,000,000	5,953,200	632,047		1¾	7	2nd Jan.	1¾	13.72	Abitibi Power and Paper, com					58½	48	51⅝	Feb. 5	48	Jan. 3									48
6,514,000	7,895,200		525,402							Amer. Cyanamid, com					30	19													
3,500,000		1,563,666	507,408							Ames Holden McCready Co., com	23	7⅜	35	19½	23½	12	29	Jan. 17	26	Jan. 3									15½
	2,500,000						1st July '14	q. 1¾	9.45	" " " pref	75	55	80½	52	61	47	76¼	Jan. 22	65⅜	Jan. 2			75	73½	73	73	73	75	47½
4,265 600					4	4	21st Nov.	q. 1¼	10.26	British Col. Fish, com					56	35	49	Jan. 6	48	Feb. 1									38½
7,000,000	2,000,000	1,524,000	319,825			5	7th Feb.	1¼	8.62	Brompton Pulp and Paper, com					59	38	61	Jan. 7	56	Feb. 3			58		58	58	58	20	39½
750,000			497,863		6	6	2nd Jan.	q. 1½	7.31	F. N. Burt Company, com	72½	70	88	72	82	65	82	Feb. 6	71	Jan. 13									63
	1,975,200				7	7	2nd Jan.	q. 1¾	7.69	" " " pref	75	89	96	86	93½	86	92	Jan. 22	90	Jan. 22	86	84¼	92½	90	91	91	91	15	84
2,500,000		3,750,000	153,523			2	2nd Jan. '17	2		Canada Bread, com	31½	29	30	16½	20	13	23½	Jan. 11	21½	Feb. 4				19½	21½	18	20	86	
	1,250,000				7	7	2nd Jan.	q. 1¾	8.33	" " pref	90¼	90	90	87	86½	80	85	Jan. 18	84	Jan. 18					84	83	83½	120	83
13,500,000		7,055,073	3,746,999		4½	6	10th Jan.	q. 1½	9.52	Canada Cement, com	48½	28	73	37¾	69⅞	52	66½	Jan. 33	63	Feb. 6	57¼	57	65¾	65¾	65⅝	63	65¾	340	55½
	10,500,000				7	7	16th Nov.	q. 1¾	7.36	" " pref	98½	89¾	9	86	95¾	90	96½	Jan. 20	95	Jan. 2	90			96	96	95¼	95¾	12	90½
4,963,700		5,385,603	3,340,063				2nd June '14	s. 2		Canadian Car and Foundry, com	120	50	75	32	46½	17	31¾	Jan. 4	28	Jan. 2	24	21	30¼	28½	32	29½	32	1,230	18½
	7,500,000						10th Jan.	q. 1¾	8.43	" " " pref	127	98	94	1¾	89	49	85⅞	Jan. 6	82	Jan. 23			84		84	83	84	545	49½
1,733,500		399,000	541,711			3	15th Feb.	q. 1¼	10.63	Canadian Converters	34	34	46	34	43	39	47	Jan. 25	45	Feb. 6									43½
2,715,500		4,688,000	1,918,109		3	4	4th Jan.	q. 1½	8.82	Canadian Cottons, Limited com	40	24	65	39	56	46½	68	Jan. 6	68	Jan. 6	49				63½	63½	63¼	5	48
	3,661,500				6	6	1st Jan.	q. 1½	7.89	Canadian Cottons, Limited, pref	77	71	82½	75½	82	75	76	Jan. 10			76		76		76	76	76	155	
1,600,000	1,500,000		1,340,439		3	9	15th Jan.	s. 3		Canadian Fairbanks-Morse, pref.	95	95																	
960,000		346,100	1,128,281		10+9	12+3	15th Feb.	q. 3	6.25	Canadian Foundries & Forgings, co			217	170	205	150	192	Jan. 9			152								15
	960,000				7	7	15th Feb.	q. 1¾	7.21	pref			90	85	84	82													[illegible]
2,000,000		1,500,000	1,657,324			3	1st Jan.	q. 1½	9.79	Canadian Locomotive Co., com	64½	30	64½	51	64	52½	63¾	Jan. 2	61½	Jan. 31			63		61	61	61	5	56½
	1,500,000				7	7	1st Jan.	q. 1¾	7.77	" " pref	90	78	99	81	91½	83	90½	Jan. 10	90	Jan. 14			91	90	90½	90	90	33	82¾
2,805,500		9,500,000	4,305,934				15th Oct. '14			Can. Consolidated Rubber, com	91	91	91	84	99¾	90													90
	3,000,000				7	7	31st Dec.	q. 1¾	7 14	" " " pref	101	100	97	91	99¼	95	98	Jan. 16	97	Feb. 7									97
8,000,000			4,466,293		8	8	2nd Jan.	q. 2	7.84	Canadian General Electric, com	128	90¼	121	108	115½	99½	104⅛	Jan. 8	102½	Jan 22	103	102	102½	102	103	102	102	148	99½
	2,000,000				7	7	2nd Jan.	s. 3½	6 36	" " " pref	110½	110	112	110	106	94½													
1,200,000		477,000	305,830							Carriage Factories, Limited, com	53½	35½	44	29¾	25	9¼													13
	1,200,800						15th July '15	q. 1¾	10.00	" " " pref	81	75	75	60															58
565,000		61.612	90,802		4		1st Oct.'16	q. 2		City Dairy, com	100	98	98	89	30	30	48	Jan. 28						48	48	48	48	1	30
	700,000				5½		2nd Jan.	q. 1¾	8.33	" " pref	102	98	100½	92	70	60					60								60
6 500,000			1,679,591		8+12	9½+2	15th Feb.	q. 2	6.50	Dominion Bridge Co.	230	107	231½	160	170	125	123	Jan. 13											163
2 794,000		1,771,175	1,140,339				1st Apr.'14	q.		Dominion Canners, com	35	31	22	15	26	19	39¼	Jan. 11	36	Jan. 17			37½		37	36½	37	130	23¾
	2,290,600					7	2nd Jan.	q. 1¾	8.53	" " pref			65	61½	78	65	82	Jan. 23	76	Jan. 10			82	81½	83¾	82	83¾	30	
37,097,700	7,000,000	21 206 777	15,562,286			4½	1st Jan.	q. 1½	10.00	Dominion Steel Corporation, com	51	19⅞	82	43	71¼	50¾	62½	Jan. 3	58¾	Feb. 3	60¾	60¼	60½	60⅛	60¼	59⅛	60¼	635	50¾
	5,000,000	13 861 880			7	7	1st Oct.	s. 3½	7.44	Dominion Iron and Steel, pref.	96	71	105	90	95	87½	95	Jan. 14	93½	Jan. 2	88			94½	94	94	94	5	88
15,000,000	3,000,000	6 162 000			7	7	1st Feb.	q. 1¾	7.24	Dominion Coal, pref	101	98	99	93	96½	85	98	Feb 3											94½
5,000,000		3,267,500	2,189,194		6	7	2nd Jan.	q. 2	3.00	Dominion Textile, com	77	64	90½	74½	89	76½	104	Jan. 4	100	Feb. 5	84½	84¼	101½	101¼	102	100½	101½	340	80½
	1,940,600				7	7	15th Jan.	q. 1¾	6.93	" " pref	103	101	105	101	105	99½	101½	Jan. 4	101	Jan. 15	100								100
2,250,500		1,150,000	520.221							Goodwins, Limited, com	28	26	40	40			10	Feb. 5											
	1,750,000						2nd July '14	q. 1¾	15.55	" " pref			75	40	45	45	45	Jan. 11											45
747,500		236,000	1,141,337		6	6	2nd Jan.	q. 1½	6.00	Goulds Manufacturing Co., com					100	100													100
	747,500				7	7	2nd Jan.	q. 1¾	7 00	" " " pref					100	100													100
6 265,005	500,000		905.614							International Petroleum					15.30	11.60	21 50	Jan. 27	19 25	Jan. 8			22.00	21.00	22.50	21.75	21.75	320	
40,000.000		8,294,000	4,541							Lake Superior Corporation	9⅞	9⅞			24	10¼													
2,100 000		900,000	831,883		8	8	2nd Dec.	q. 2½	6.25	Lake of Woods Milling Co., com	137	129	136¼	122	130	120	165	Jan. 14	160	Jan. 10	125				160	160	160	68	120½
	1,500,000				7	7	2nd Dec.	q. 1¾	6 50	" " " pref	122	120	129	116	116	116	106½	Jan. 16	106	Jan. 17									
9,600,000		656,443	1,783,458		8	10	2nd Jan.	q. 3	6.18	Laurentide Co.	198	160	217½	176	195	152	198	Jan. 4	192	Jan. 10	154		198	197¼	198⅝	195	198⅝	1,460	152
1,750,000	1,300,000	1,038,600	365,852			2	10th Jan.	2		Lyall Construction Co., com			93	25	80	53					65	64¾							62
3,000,000	1,766,800		190,908				30th June '13			A. Macdonald Co. com.	14	7	19½	10	15½	8	23	Jan. 9	21½	Jan. 10		14							13½
2 500,000			1,572,508		9	22½	18th Jan.	q.2½+1	7.69	Maple Leaf Milling, com	68	30½	122	100	115	90	137½	Jan. 2	121¼	Jan. 30			130½	129	131	129½	130	210	86
	2,500,000				7	7	18th Jan.	q. 1¾	7.14	" " " pref	98	88	108	93	103	91¾	98¼	Jan.2	96¼	Jan. 8	95	93½		97¼	98½	98	98	32	[illegible]
2,949,600		779,163	442,212		4	4	14th Dec.	q. 1	6.66	Montreal Cottons, Ltd., com	56	51	63	50	58½	49	61	Jan. 22	58⅜	Jan. 9	50		60½	59½	60	60	60	100	50
	3,000,000				7	7	14th Dec.	q. 1¾	7 00	" " " pref	100½	99	115	99	103	99	100¼	Jan. 16	100	Jan. 17					100	100	100	4	99½
1,275,000			527,504				1st Nov.'13	q. 1½		Monarch Knitting Co., com	27	25	40	25½	40	30	50	Jan. 28			30								30
	750,000				7	7	1st Feb.	q. 1¾	8 97	" " pref	82	82	83	80	81	80	80	Jan. 13	78	Jan. 6									78
2,000,000			2.331,209							National Steel Car, com					21	5	12	Feb. 3	5	Jan. 16			10	9	10	9	10	95	
	1,500,000				3½		15th Jan	q. 1¾		" " " pref					78	17	35½	Feb. 5	18	Jan. 14			33½	30	33½	32	33½	50	
15,000,000		11,21 ,823	3 730,092			5+20	15th Oct.	s. 2½	9.80	Nova Scotia Steel, com	107	45¾	154½	93¾	128	66	66	Jan. 6	50	Feb 3			50		50	49¾	50	275	63½
	1,000,000				12	8	2nd Jan.	q. 2	7.61	" " " pref.	125	110	115	110	112	105	105	Jan. 10			100			105	106	105½	106	10	
2,500,000		2,350,000	190.178		8+4	10½15	2nd Jan.	q. 3	5.45	Ogilvie Flour, com	144	107	152	127⅞	158	137	224¾	Jan. 11	212	Jan. 9			215		215	215	215	45	140
	2,000,000				7	7	2nd Dec.	q. 1¾	6.54	" " pref	120	113	116	44½	115	107	107¼	Jan. 27	106	Jan. 13					110	110	110	42	
750,000		575,100	183,497							Ont. Steel Products, com			45	19	34	18	28	Jan. 6	27¼	Jan. 4									22½
	750,000				5½	7+1¼	15th Feb.	q.1¾+½	8.97	" " " pref			91½	73	74	74													
650,000			38,026		2	2	1st Jan.	s. 1	5.58	Pacific-Burt Co., com	31	28	29	20	40	28													34
	650,000				7	7	1st Jan	q. 1¾	9.09	" " pref	85	80	83¼	77½	82	79													77½
600,000			644,594		8+3	8+5	16th Sept.	4+2	7.75	Paton Manufacturing Co.					130	124													124½
2,150,600		2,000,000	2.807,867		4+1	4+1	15th Feb.	q. 1½	7.59	Penmans, Limited, com	62	49	78	60	73½	64	80	Jan. 11	77½	Jan. 4	72			81½	82	81¾	81¾	340	65
	1,075,000				6	6	1st Feb.	q. 1½	7.05	" " pref	83	82	90	82	86	81½	85	Jan. 3	82¾	Feb. 5					83	83	83	65	81⅞
5,000,000		5,923 764	2,220,239		6	6	2nd Jan.	2	4.90	Price Bros.			132	60½	134	115	163	Jan. 21	150	Jan. 10	120								120½
4,500,000		2,036,600	1,851,813		3½+1	6+4	15th Feb.	q. 2½	8.54	Riordon Pulp and Paper, com			150	59	127	106	117¼	Jan. 2					117¼		117¼	117¼	117¼	145	114½
	1,000,000				7	7	31st Dec.	q. 1¾	7.29	" " pref					95	90	96	Feb. 4	94	Jan. 4	95¼		95		95	95	95	10	96½
1,500,000		437,000	503,082		6	1½	1st Apr.	q. 1½		William A. Rogers, Ltd., com	103	96	99	85	80	40													50
	900,000				7	7	1st Jan.	q. 1¾	7.77	" " pref	99	99	99	87	92	90													60
800,000			47.581			7	1st Aug.	q. 1¾	8.75	Russell Motor Car, com	50	10	114	32	92	50													50
	1,200,000					29¾	1st Feb.	q. 1¾	9.33	" " " pref	76	25	139	66	122	72	80	Feb. 3	70	Jan. 10									68½
1,500.000		574,500	129,711							Sawyer-Massey Co., com	33	25	30	20	24	8													
	1,500,000						2nd June '14	q. 1¾		" " pref	76	69	134½	58	41	40													40
4,000,000		1,873,200	1,746.698							Sherwin-Williams, com	57½	55	99½	53½	60	56	60	Jan. 3			60								60
	2,287,000				7	7	30th Dec.	q. 1¾	7.07	" pref	100	98¼	100	97½	100	98	99	Jan 6							99	99	99	25	99
8,750,000			377,944		6+1	6+2	1st Jan.	q. 2	6.40	Shredded Wheat, com	102	92	140½	102¼	137¾	112	125	Jan. 13			110								109½
	1,250,000				6	6	1st Jan.	q. 1½	6.74	" " pref	99	93	120	95	95	95	99	Jan. 13											
1,062,500		300,000	114,473			4				Smith Paper Mills, Com					74½	66													65
	475,000					7	15th Jan.	q. 1¾	8.97	" " " Pref																			
8,000,000		10,332,113	1,071,301							Spanish River Pulp Mills, com	9⅝	3	24¼	3½	19	12½	18¾	Jan. 28	17	Jan. 14	15	14		17⅞	17¾	17½	17¾	90	50
	5,699,100						15th July'13	q. 1¾		pref	35	35	70	29	59¼	47	67	Jan. 28	63½	Jan. 23				66	66	56	66	185	
11,500,000		8,766,147	12,458,762		4	6	1st Feb.	q. 1½	10.17	Steel Co. of Canada, com	48	8½	88¼	34¼	71½	47½	65½	Jan. 8	57½	Feb. 1	54	53¼	59¾	59¼	59½	57¾	59⅜	1,375	48
	6,496,300				10½	7	1st Feb.	q. 1¾	7.48	" " pref	95	69	107¼	82½	100½	84½	95	Jan. 6	93	Feb. 5			94	93	93¾	93	93½	72	82¾
1,250,000	3,602 700	1.111,736	154,402				1st June '14	3½		Standard Chemtnal, pfd																			
1,200,000		252,500	158,156				1st Feb.	1½+1	6,31	St. Lawrence Flour, com							96	Jan. 2	94½	Jan. 9					90	90	90	5	
	575,000						1st Feb.	1¾		" " " pref					56	49									80	80	80	6	56
650,000			149,379							Tooke Bros., com	18	16	25	16	19	19													19
	985,000				8¾	8¾	13th Dec.	q. 1¾	10.00	" " pref			83	78	79	70	72¾	Feb. 4	70	Feb. 4									70½
750,000		500,000	254,089		5	6+4	2nd Jan.	s. 3	8.69	Toronto Paper Co.	45	25	96	44	90	72									69	69	69	5	65
2,500,000			337,933							Tuckett Tobacco, com	29¼	29	25	23½	22½	17	24½	Jan. 13	22	Jan. 17			25	23¼	24½	24½	24½	15	18¾
	2,000,000				7		15th Jan.	q 1¾	8.75	" pref.	90	90	90	75	83½	78	80	Jan. 6											80
1,750,000		911,000	238.660				2nd Jan.	1½	10.00	Wabasso Cotton							60	Jan. 16	58	Jan. 2									
5,000,000		3,430,000	864.023							Wayagamack com	26½	26			97	50	55	Jan. 2	51	Jan. 7									50
7,718,600		470,000	1 303,540			7	2nd Dec.	q. 1¾	8.13	Woods Manufacturing Co., Ltd. com.	15	20	65	33	61	44	86¼	Jan. 13			60	58			90	90	90	5	53¾
	1,546,500				15¾	7	1st Jan.	q. 1¾	8.13	" " pref	45	20	101	84	86	80													86

LOAN, INSURANCE AND FINANCIAL STOCKS AND MISCELLANEOUS

Common Stock outstanding	Bond Pref d Stock or Debentures Outstanding and Int.	Reserve and Contingent P. & L.	Dividends 1917	Last Dividend Date	Last Dividend Per cent.	LOAN AND TRUST	Range for Year 1916 High	Range for Year 1916 Low	Range for year 1917 High	Range for year 1917 Low	Latest Price Ask	Latest Price Bid	Last Sale
1,205,000	3,932,164	1,294.157	9	2nd Jan.	q. 2¼	Canada Landed	163	157¼	160	150	150		140
6,000,000	19,946 571	5,447,977	10	2nd Jan.	q. 2½	Canada Permanent	183	168½	173	162½	172	170	170¼
1,750,000	5.519.687	1,883,863	10	2nd Jan.	q. 2½	Central Canada					190		
20,000	2 994,240	419,646	6	2nd Jan.	s. 3	Col. Investment, pref.	76	70	77	68	74		81
934.848	1,112,672	263,925	5	2nd Jan.	s. 2½	Dominion Savings	80	80				82	81
2,412,566	2,221,508	827,258	5	1st July	Def.	Great West Per							89½
1,200,000	2.276,590	1,163,994	8	2nd Jan.	s. 4	Hamilton Provident	140	138	142	137		133	133
2,500,000	11.865,047	3,186,669	12	2nd Jan.	q. 3	Huron and Erie	214	209	211	205		205	208
1,000.000	1,914,936	837,232	8	2nd Jan.	s. 4	Landed Banking	145	144	143	143		139	140
1,250,000	2,700.981	871,997	8	2nd Jan.	q. 2	London and Can. Loan	135	132	132	128½	126½		126½
887,[illegible]98	1,722.889	341.924	6+1	2nd Jan.	q1½+½	London Loan and Sav.							
600,000	350.626	744,530	10+1	15th Dec.	q. 2½	Montreal L. & Mtg. Co.	175	160	165	162½			153
1,500,000	7.717,790	1,622.358	10	1st Jan.	q. 2½	National Trust	210	210	212	207½		210	207½
1,750.000	3,546 486	2.000,703	9	2nd Jan.	q. 2¼	Ont. Loan and Deb.	175	169	175	175		155	155
500,000	643 698	262.754	7	2nd Jan.	s. 3½	Real Estate Loan		205½				145	103
1,500,000	33,203,713	2,051,443	10	2nd Jan.	q 2½+1	Toronto Gen. Trusts	210	134	215	200	207		204
724,500	1.774.451	627.871	8	2nd Jan.	q. 2	Toronto Mortgage Co	140		140	136		132	134
1,000,000	1.931,430	1,086.701	10	2nd Jan.	q. 2½	Toronto Savings							185
1,000,000	7,661,682	465,702	8½	2nd Jan.	q 2½	Union Trust							178
1 000,000		7 231,192	15	2nd Jan.	q. 2	Canada Life Assurance			190	19			190

Common Stock Outstanding	Bonds, Preferred Stock or D'b'ntures Outstanding	Reserve and Contingent P. & L.	Dividend 1917	Last Dividend Date	Last Dividend Per cent.	MISCELLANEOUS COMPANIES	Range for year 1916 High	Range for year 1916 Low	Range for Year 1917 High	Range for Year 1917 Low	Latest Price Ask	Latest Price Bid
3,000.000		648,892		15th Jan.	1¼	Asbestos Corporation, com.	24	23	21	12	48	47
	2,000,000		4	15th Jan.	1½	" " pref	60	53	53	42	66½	[illegible]
1.500,000		1,688,183	9	1st Jan.	s. 4	Canadian N. Prairie Lands						
800,000	390,000	451,006	8	1st Jan	q 2	Canadian Salt	140	124	136	128		135
59,109		1,757,277	$5	23rd Dec.	$5	Can North-West Land						
100,000		2,374,727	20	31st Dec.	q. 5	Confederation Life A.	350	330	330	330	375	
6,212,666		501,345		2nd Dec.	q. 1½	Crows Nest Pass Coal.	83	71	70	50		52
1,000,000		292,230	6	15th Jan.	q 1½	Dominion Telegraph	90	86	90	89	80	
3,000,000	12,669,500					Electrical Dev., pref.						
450,000	b 5.312,763	2,172,108	10	1st Jan.	q. 2½	Imperial Life Assur						
500.000	460.400	785.511	7	5th Feb.*	s. 3½	Intercolonial Coal, pref					80	
3.000.000		133,458		1st Mar. '14	1	Intern. Coal and Coke			25	25		
2,196,951	1.922,500	652,424	7	15th Feb.	q. 2	Kaministiquia Power					120	
637,480	b 595,000	224,444	3	2nd July '17	s. 3	London Street						
2,000,000		119,740	8+10cts	15th Jan,	q. 2	Montreal Telegraph	136	135	138	115		120
925,000	b1,123,000					Nia., St. Kath. and Tor.						
1 164,000	b 741,000	286,076	3¾	10th July '15	q. 1¾	Trinidad Electric						
2,124,700	b1.504,621	844,651	8	16th Dec.	q. 2	W. Can. Flour Mills	119¾	102				
800,000	b 600.000	606,068	5	1st Jan.	q. 1¼	West India Electric			77	77		

NOTE—s—means semi-annually; q—quarterly; I—interim; L—Profit and Loss; +—indicates bonus; $—means bond; P—preferred stock; d—debentures;*—less than ten shares; sb—stock bonus; A—$500 per share return of capital paid February 1st, September 25th, 1912; Feb. 1st and Nov. 17th, 1912, December 1, 1914.

DIVIDEND NOTICES

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND OF THREE PER CENT. upon the paid up Capital Stock of this Institution has been declared for the current quarter payable on and after Saturday, the FIRST DAY OF MARCH next, to Shareholders of record of 31st January, 1919.

By order of the Board.

FREDERICK WILLIAMS-TAYLOR.
General Manager.

Montreal, 21st January, 1919.

The Royal Bank of Canada

DIVIDEND No. 126

NOTICE is hereby given that a DIVIDEND OF THREE PER CENT. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Saturday, the first day of March next, to shareholders of record of 15th February.

By order of the Board.

C. E. NEILL,
General Manager.

Montreal, Que., January 14, 1919.

The Canadian Bank of Commerce

DIVIDEND No. 128

NOTICE is hereby given that a dividend of Three per cent. upon the capital stock of this Bank, being at the rate of twelve per cent. per annum, has been declared for the quarter ending 28th February next, and that the same will be payable at the Bank and its Branches on and after Saturday, 1st March, 1919, to shareholders of record at the close of business on the 13th day of February, 1919.

By order of the Board,

JOHN AIRD,
General Manager.

Toronto, 17th January, 1919.

The Ogilvie Flour Mills Co.

Limited

DIVIDEND NOTICE

NOTICE is hereby given that a quarterly dividend of one and three-quarters per cent. has been declared on the Preferred Stock of THE OGILVIE FLOUR MILLS CO., LIMITED, payable Saturday, the first day of March, 1919, to Shareholders of record at the close of business Thursday, the twentieth day of February, 1919.

By Order of the Board.

G. A. MORRIS,
Secretary.

Montreal, Feb. 12, 1919.

Montreal Light, Heat & Power Consolidated

10th DIVIDEND

NOTICE is hereby given that a Dividend of One per cent. on the Paid-up Capital Stock of the Company (being at the rate of Four per cent. per annum) for Quarter ending January 31st, 1919, has this day been declared:

1st—To shareholders of record January 31st, 1919, on the Montreal and London, England, Registers.

2nd—To holders of share-warrants in redemption of coupon serial No. 10.

Dividend cheques will be mailed to registered shareholders February 15th, 1919; share-warrant coupons will be redeemed on presentation at the Company's Office, 315 Power Building, Montreal, or at the Banking House of Messrs. Martigny & Company, 28 Rue Barbet de Jouy, Paris, France.

By order of the Board,

C. S. BAGG,
Secretary-Treasurer.

Montreal, January 20th, 1919.

Penmans Limited

DIVIDEND NOTICE

NOTICE is hereby given that the following dividends have been declared this day for the quarter ending April 30th, 1919. One and one-half per cent. (1½%) on the Preferred Stock payable on the 1st day of May to shareholders of record of the 21st day of April, 1919, and one and three-quarters per cent. (1¾%), being at the rate of seven per cent. (7%) per annum, on the Common Stock payable on the 15th day of May to shareholders of record of the 5th day of May, 1919.

By Orders of the Board.

C. B. ROBINSON,
Secretary-Treasurer.

Montreal, Que., February 6, 1919.

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CRERAR FORESEES PROSPERITY FOR LIVE STOCK MEN

Tells Breeders of Big Plants to Steady the Markets

GOVERNMENT ON JOB

Minister of Agriculture Gives An Illuminating Review of the Present Situation and Plans For the Future

By F. M. CHAPMAN
Editor "Farmers' Magazine"

Hon. T. A. Crerar, Minister of Agriculture for Canada, foresees continued prosperity for Canadian livestock. And his faith is evidenced by the departmental works being done now to steady our markets and to guarantee a constant stream outwards from Canada's ocean ports. A million dollar cold storage warehouse is announced for the Montreal harbor front, work to begin almost immediately.

At a banquet given by the Canadian National Exhibition directors, to the livestock men at Toronto, he laid down the requisites for a dominating livestock trade in Canada. First our producers must put the quality in. Secondly, they must have transportation facilities and thirdly the market end must be made easy both by removal of any obstructive embargoes and by a system of credits elastic enough to handle the trade.

It was the first really worth-while speech of Hon. Mr. Crerar, since he became Minister, at least to the livestock men, who had begun to feel that he was not fully alive to their interests. The way he measured up, both in the vigor of his address, and in his thorough grasp of the situation, not only surprised the breeders, but delighted them greatly.

Too long the rumors have been current that Canada was asleep at the European switch. It was felt that Hoover and his 10 experts had orders for the bacon and beef needs of Europe, with Canada standing idly by taking the plaudits of a pleased paternalism.

Canada on Her Job

"We have been steadily on the job," said Mr.Crerar, "ever since the armistice was announced. We have in Europe Mr. James Robertson, who knows his business well, and is making such progress that the end will fully justify our estimate of him. Every move that it was possible to make, we have been making. But it must be remembered that the difficulties have been almost insurmountable. Few on the outside can understand these but it is sufficient to say, that already things are coming our way slowly, so that we feel confident that farmers will find a market for every animal they raise at profit-making prices for some time.

It must be known by all men that Great Britain has a floating indebtedness to the U. S. besides the loans made by her. And in the exchange of trade it is absolutely essential that the two countries should be associated very closely. And that is why the U.S. can get her products into the European markets much more easily than can Canada. It is a matter of hard business, but for all that, sufficient pressure is being brought to bear on the Allied Food Council at Paris to procure for Canada some certain measure of steady trade. The present interruption is therefore only regarded as temporary."

In advancing his point, the Minister laid great stress upon the production of quality in our Canadian exports. They must like our No. 1 wheat and our cheese, force a market by the very superiority of the goods. The criticism has been made that American and Argentine beef went on to the British markets in a more pleasing form than did our Canadian beef. It will be necessary therefore to increase our efforts to produce only first-class beef.

Chilled Beef Shipments

On account of the port of Montreal being only 3,000 miles from Liverpool as against 6,000 miles from the Argentine, or still further from Australia, we in Canada, said he, had an inside track that we must take measures to function to its fullest. To this end it is necessary that we build cold storage plants at Montreal and perhaps at Halifax and St. John. We have shipped from Canada, during the war, an immense amount of chilled beef and the work has been so successful that the trade must continue. Livestock men are particularly gratified to know that the Government have plans under way for the erection of a million dollar cold storage plant on the harbor front at Montreal at once, while similar equipment will likely grow up at Halifax and St. John.

Canada's strategic position as a producer of food in the future is still more alluring. It must not be overlooked that the United States, which for many years had been regarded as Europe's storehouse for food, would, in a very few years' become a food importing country. The industrial population of the United States was increasing very rapidly and would continue to increase, as the manufacturers and merchants of that country sought new markets for their products in the older countries.

Ocean Refrigerator Service

The Minister laid emphasis on the fact that every effort was being made to provide refrigerator service on the ocean.

The old question of the embargo against Canadian live cattle was being renewed. Many parts of Canada were in a better position to raise stockers than they were to finish the beef and, for such, the lifting of the embargo would mean much to our prosperity. Measures were being taken towards this end, and assuredly the coming report on the matter would leave it clear that there was not any disease in Canada's herds to make the least vestige of excuse for the continuance of the barrier.

In the matter of finance, said Mr. Crerar, the arrangement of credits overseas was being expedited so well that it is expected that its effects will be noticeable in a short time.

Canada's chief prosperity, agriculturally lies through the livestock channels, and now that the farmers have responded so well to the call for meats, they are in a position to push their advantage in world markets to the limit. Livestock Commissioner Arkell is already overseas armed with every argument and device to protect Canadian livestock trade, while recent despatches indicate a more favorable turn to the situation. The fact that the U. S. is maintaining her hog prices and beef prices must react favorably for Canada.

ROYAL LOAN AND SAVINGS

Further Improvement in Earnings Shown for 1918.

There was again a substantial increase in the earnings of the Royal Loan and Savings Company during 1918. Income amounted to $168,142, as compared with $161,727 for 1917. Expenses and war taxes took $22,528, after which $6,000 was appropriated for income tax, leaving net profits of $76,671, compared with $75,487 for the previous year; the latter figure, however, was before deducting $1,677 for war taxes. After payment of dividends and Red Cross contributions, a sum of $25,000 was added to reserve, bringing the total up to $425,000, as compared with a paid-up capital of $600,000. The balance carried forward was $10,655 as compared with $5,774 brought forward. Following are comparative figures of the profit and loss account for the last three years:—

	1918	1917	1916
Gross earnings	$168,143	$161,727	$146,195
Interest	$ 62,944	$ 64,538	$ 63,485
Expenses	*22,528	21,702	18,753
Income tax	6,000	.....	.....
	$ 91,472	$ 86,240	$ 82,238
Net profits	$ 76,671	$ 75,487	$ 63,957
Bal. forward	5,744	3,184	917
Premiums	.....	.....	4,140
Total	$ 82,415	$ 78,671	$ 69,014
Distribution—			
Dividends	$ 48,000	$ 48,000	$ 47,438
War tax	.....	1,677	1,641
Reserve	20,000	15,000	15,000
Red Cross	3,750	3,250	1,750
Premises	.....	5,000	.....
Balance	10,665	5,744	3,184
	$ 82,415	$ 78,671	$ 69,014

*Including war tax.

Following are features of the company's earning record for the past four years:

Year	Paid-up Capital	Profits	Div.	% Profits Cap.	Earn. Rate
1918	$600,000	$76,671	8	12.7	7.5
1917	600,000	75,487	8	12.5	7.6
1916	600,000	63,957	8	10.6	6.7
1915	586,200	60,490	8	10.3	6.4

The company's assets at $2,496,115 were slightly lower than the $2,562,732 shown a year ago. Debentures outstanding and deposits both showed a decline which was reflected in smaller loans on mortgages. On the other hand there was a further increase in war loan and other debentures.

BRIGHTER OUTLOOK IN LOAN FIELD

President of Ontario Loan Refers to Conditions—Features of Annual Report

Facing a reduction on earnings from $489,048 to $478,250 during the year, or about $10,800, the Ontario Loan and Debenture Company was able by careful management, to show profits very little below those of the previous year, the figures being $167,766 and $268,291 for 1918 and 1917 respectively. Following are comparative figures for the past three years showing the manner of distribution:

	1918	1917	1916
Profits	$267,766	$268,291	$268,603
Bal. forward	50,703	53,593	50,012
	$318,469	$321,884	$318,615
Distribution—			
Dividends	$157,500	$157,000	$157,500
Reserve	100,000	100,000	100,000
Patriotic Fund	3,000	3,500	.....
Dom. War Tax	14,027	10,181	7,522
Balance	43,942	50,703	53,593
	$318,469	$321,884	$318,615

Following are features of the earnings record for the past seven years, showing percentage earnings on capital and investment:

Year	Paid-up Capital	Profits	Div.	% Profits Cap.	Earn. *rate
1918	$1,750,000	$267,766	9	15.3	7.2
1917	1,750,000	268,291	9	15.3	7.3
1916	1,750,000	268,603	9	15.3	7.6
1915	1,750,000	270,583	9	15.4	7.8
1914	1,750,000	257,791	9	14.7	7.7
1913	1,750,000	253,736	8½	14.5	7.8
1912	1,750,000	238,543	8	13.6	7.6

*Per cent. of capital, reserve and balance at credit of profit and loss.

The continued contraction in mortgage business throughout the year is reflected in the fact that the assets under this head declined from $5,684,224 to $5,207,977. In this connection the president, John McClary, says that the demand for mortgage loans has been very moderate throughout the year past, and partly in consequence of this it has been possible to further add to the amount of investments in bonds, more especially in those of the Dominion of Canada. With the close of the war an augmented agricultural development may be looked for, in which your company anticipates being of service in furthering the necessary increased production, so vital to the welfare of the country.

Public funds in the company's hands showed a reduction, sterling debentures being reduced from $1,394,407 to $1,365,387, deposits from $991,345 to $825,413, and currency debentures from $1,129,277 to $1,027,320. Total assets were reduced from $1,336,970 to $1,132,790. The difference between this small reduction in total and the contraction in loans was largely made up by further investments in war and other bonds, the total rising from $998,326 to $1,422,794. Loans on stocks and debentures were lower by about $34,000. Cash was reduced from $327,815 to $158,000

ABSENCE OF LIQUIDATION IS A FEATURE

Continued from page 1.

there may be uncertainty ahead of many other industries, the same can scarcely be said of this important basic industry.

The New York market has had a favorable time during the week, though there has been nothing in the immediate situation to cause such a movement. A discounting of what seems reasonably in store for business after the present period of unsettlement is probably the reason for the development. Some comments of United States financial houses follow:—

Hayden, Stone & Co., Boston, referring to the reduction of dividends by several important companies in the United States, point out that this action shows that capital at least realizes that the war is over. "The necessity for scaling down all around, for realizing that war conditions cannot continue, is absolute. The important things are that all should bear, as equally as possible, their share in the readjustment, and that any tendency toward trouble-making during this period should be firmly restrained. Given these two and we shall pass quickly through this period."

CHANGES DURING THE WEEK

	Last Feb. 6	Sales Feb. 13	Chnge
Asbestos Corp.	45¾	49¾	+ 4
Do., pref.	63½	66½	+ 3
Dom. Canners, pref	82	83¾	+ 1¾
Do., pref.	63½	66½	+ 3
Dom. Textile, com.	100	102¾	+ 2¾
Ovilvie, com.	*220*	215	— 5
Do., pref.	*107¼	110	+ 2¾
Penmans, com.	80	81¾	+ 1¾
St. Law. Flour, com	*94½	90	— 4½
Atlantic Sugar, prf.	69	65	— 4
Do., com.	22	19	— 3
Can. Stmshp., com.	45¼	43	— 2¼
Toronto Rails	47	45	— 2
Bk. of Toronto	205	201½	— 3½
Laurentide	196	200¼	+ 4¼
Price Bros.	*163	166½	+ 3½

*No sales this week.

SHREDDED WHEAT

Improvement in Earnings Shown for 1918

NIAGARA FALLS, N.Y. — The statement of the Shredded Wheat Company presented to shareholders was a satisfactory one. The gross income, less operating expenses, amounted to $1,439,828.34, against $1,249,981.59 for the year, 1917.

From this amount $513,043.02 was deducted, allowances for depreciation, income taxes and war taxes, leaving a net income of $926,785.22, which is close to 10 per cent. on the common stock after providing for the preferred shares. The balance carried forward to the credit of profit and loss account was $151,000, after setting aside a large amount for federal taxes. The balance carried forward into the current year was $766,724.

AUTOMOBILE TAX A LIVE QUESTION

Its Removal or Retention of Interest to Ontario Steel Products

The uncertainty of the removal or retention of the ten per cent. tax on automobiles is affecting a number of industries, among them the Ontario Steel Products. They expected to do a lot of business making automobile springs. The statement is made that should the tax be maintained, the output of automobiles will be much smaller than would be the case if it were cancelled. In the latter instance there is every reason to think that the automobile factories would go ahead full speed, as there would be a much readier sale for cars at a reduction in price, which could then be made. Meantime, automobile manufacturers are hesitating, and this is naturally affecting the situation in the Ontario Steel Products Company.

The demand for shovels and spades is not particularly active, but the outlook would improve greatly should the Government programme of road building be carried out, together with the construction of other public works.

As to the United States Government's order for shovels, this was cancelled after the greater part of it had been filled and the company is well protected for the balance.

The prospects for further payments on the preferred dividend in the near future are good, as the company's finances are in good shape.

DEATH OF ANDREW ALLAN

Prominent Montreal Financier Passed Away This Week

Andrew Allan, whose death occurred this week in Montreal, was a member of the famous Allan family, whose names will go down in Canadian history as the founders of the Allan Line of steamships, long successfully engaged in the transatlantic trade. The Allan business was originally established by two young Glasgow men, brothers, Hugh and Andrew Allan, and the story of its expansion forms one of the romances of Canada's commercial life. The late Andrew A. Allan was the third son of the younger brother, and with his cousin, Sir Montagu Allan, and his brother Hugh, succeeded to the interests of the founders. He entered the employ of the company in 1877 and attained partnership in 1881. He later became vice-president, and in 1910 was elected president of the Shipping Federation of Canada. He was also chairman of the Quebec Salvage and Wrecking Co. and of the Marconi Co. of Canada. He was a director of the Merchants' Bank, the Canadian Consolidated Rubber Co., and other corporations.

BUSINESS AND TAXES

Some Information Issued by the Department of Finance

OTTAWA.—An official statement from the Department of Finance gives the following information respecting the administration of the Business Profits War Tax Act, and of the Income War Tax Act of 1917. The returns from both these measures will exceed the estimate made to Parliament as to the amounts expected to be realized.

Under the Business Profits War Tax Act, assessments have been made aggregating sixty-five million dollars, of which about fifty-nine million has been collected. The balance will probably be received within the next two months.

The returns to date from the Income War Tax Act of 1917, which applies only to incomes in excess of $3,000 in the case of married persons, and $2,000 in the case of unmarried persons, show that about thirty thousand assessments have been made, of which nineteen thousand are paid. The total amount of assessments made by the department and approved to date aggregate five and a half million dollars. Three and a half million have been collected. The difference is represented mainly by assessments made last month.

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Prov. of Ontario	6%	1928
Prov. of Ontario	4%	1957
Prov. of Manitoba	6%	1928
Prov. of Alberta	5%	1925
Prov. of Alberta	6%	1926
Prov. of Alberta (guaranteed)	4½%	1944
Prov. of Saskatchewan	5¾%	1934
Prov. of B. C.	5½%	1925
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City of Victoria	5½%	1947
City of Victoria	5½%	1948

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Res. Fd. £2,025,000 Together	£4,025,000
Res. Liab. of Proprietors	£4,000,000
Total Capital and Reserve	£8,025,000

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EMPLOYEES TRY TO MAINTAIN THE WAGE STANDARDS

Some of the Practical Problems of Readjustment of Prices

CRUCIAL QUESTION

Can the Products of Industry Be Sold in Sufficient Volume on a Given Level to Make Employment For All

NEW YORK.—Most employers wish to maintain wages at least until a readjustment can be made concurrently with the decline of articles of common consumption, says the National City Bank circular. To a great extent wages and prices are interlocked, high prices being due to high wages paid to producers. If the pay of one group of workers is reduced and the prices of their products decline, the consumers of these products are gainers at the expense of that group of workers. The latter then have a just claim that reductions shall be made in the goods which they have to buy. Fairness requires that all shall come down together.

The reductions which will affect the greatest number of people at once are those in foodstuffs and clothing materials. The producers of foodstuffs are so many in number and so widely scattered that any general combination among them to maintain prices has always proved impracticable. Their products respond quickly to the conditions of supply and demand and are now falling, although the world food situation is not yet clear. Certainly they will decline largely by the end of another crop year. But as their products come down the farmers will naturally and reasonably claim reductions in the prices of what they must buy, and this probably will involve wage reductions in other lines.

The Crucial Question

The crucial question in every industry is not a theoretical or sentimental one, but the practical one whether the products of the industry can be sold in sufficient volume on a given level of prices to afford employment to all the people who are looking for work in that industry. There may be different theories about it in advance, and the opinion of the wage-earners may be as good as that of the proprietors; certainly one side has as good a right to its opinion as the other. But eventually there will be a demonstration, and then it will be good policy for both sides to conform to the results. The public is the final employer, and it doesn't pay anybody to quarrel with the public for not buying his products or giving him employment. The public buys what it pleases to, and the wise man adapts himself to its wishes, and if he cannot attract its patronage at one price or in one line shifts to another price or another line. The labor organizations are definitely of the opinion that it is better for them to put up with part time rather than reduce a wage rate which has been established, nad they may be right about it if it takes a fight every time to get their wages restored. But on the other hand, if low production and high prices delay the general recovery of industry by causing a reduction of consumption, it is well to remember that the laboring people of the country are suffering on both sides of the dead-lock, for they are the chief body of consumers as well as of wage-earners.

Hours of Labor

The same is true of the effort on the part of the wage-earners to shorten the work-day. The length of the work-day is a matter for conference and very careful consideration in all its aspects. Is it wise to add to the burdens of industry at this time? We will not affirm that shortening the hours to 8 or 7½ will always reduce the output and increase the cost, because that is a fact which can be determined best by actual test in the different industries. If it does not reduce the output nobody will object to it, and on the other hand if a general reduction of the hours of labor does reduce the output and raise the price of every article of consumption, the laboring people, who are the chief body of consumers, will find the burden inevitably falling upon them, not by contrivance or manipulation, but because they are consumers.

One very large experiment of this kind has been tried in the last two years, by reducing the unit day of railway employees to 8 hours. Is it true that the hours of labor were not commonly reduced to 8 hours, but probably nobody ever supposed they would be, and however that may be, railway charges have gone up 25 per cent., and the increase enters into the cost of living of every family in the country.

The effect would be more serious if the hours of trainmen actually had been reduced to 8 hours, because then a larger labor force would be required to operate the roads, and men would be withdrawn from other industries, reducing production and making other living expenses higher.

In saying this we are not pronouncing against the 8-hour day, or assuming to fix the number of hours which should be worked in any industry. We are only stating what must follow if a reduction of the hours makes it necessary to employ more workers to produce a given result. The effect will be distributed over the entire consuming public, and it will be the effect of scarcity. It may be best to reduce the hours of labor in spite of this effect. Perhaps it would be better for the entire population to get along with less of the things they want, and have a shorter work-day, but will everybody be satisfied with this result?

WHEN THE MARKET BOTTOM DROPS OUT

Uncertainty Leads to Reductions and Stagnation of Buying Interest

NEW YORK.—Buyers are never indifferent very long without making some sellers anxious, and this was sure to be the case when accompanied by the cancellation of Government contracts and enormous contraction of war demands which followed the signing of the armistice. The Government had bought and held in its warehouse great quantities of materials and goods which it would not use and which therefore hung over the market. Nobody knew at first what policy the Government would pursue. Such a situation develops different opinions, and of course all parties are not in the same position. Buyers have the upper hand, and those who want to sell must make concessions. Moreover, the announcement of a reduction of prices at first does little more than unsettle the market. It merely gives notice that the downward movement has begun, and perhaps makes buyers more timid than before.

The *Textile World-Journal* gives an instance which illustrates the situation:

> Indicating the evil effects in unsettling the minds of buyers of yarn by cutting prices, and thus causing them to refuse to buy at all, looking for still further prices, a story is told of a certain knitter who was in the market for a good-sized order of 60's two-ply mercerized combed peeler. The buyer had always given a preference to a certain mercerizer, who in turn was also glad to quote him as close a price as possible. They had sold this same yarn at $1.42½ the week before, but in order to hold the business they quoted him $1.40. The buyer told them that a quotation had been made to him of $1.35, and after getting in touch with his mill, the mercerizer met this price by close figuring. He was then told the first salesman had made a quotation of $1.34, and rather than lose the business, this price was met, only to learn that a still lower price had been named of $1.30. This decided the buyer, and he was through, and refused absolutely to buy for the present.

An instance of this kind shows that the trade is floundering about, not knowing where solid ground lies. Present trading does not tell very much as to where prices will ultimately go, because the influences which finally will establish the level are not yet fully developed.

The first cut all around is into the profits of the seller, and profits are affected not only by price reductions, but by reductions in the volume of business, which increases the percentage of overhead. After profits are eliminated, as they are already in some important lines, there is a pause to see how costs can be cut, and this is the fundamental question now, for on the whole costs will govern prices.

COMMODITY PRICES

Some Interesting Figures for the 1918 Period

LONDON.—The Board of Trade Index Number of wholesale commodity prices for the year 1918 is given by the *Labor Gazette* as 269.9. This compares with a basis of 100 in the year 1900, and with 243.0 for 1917, 186.5 for 1916, 143.9 for 1915, and 117.2 for 1914. As regards retail food prices, the same authority calculates that the increase at the beginning of 1919 over the level of July, 1914, was 130 per cent. for the United Kingdom as a whole, the advance in large towns having reached 134 per cent. Allowing for enforced changes in dietary, it is calculated that the actual expenditure on food of the average working-class family rose by only 79 per cent. The actual increase in family expenditure since the beginning of the war on all necessary items is put tentatively at between 85 and 90 per cent., though it is suggested that this calculation errs on the high side.

War to Peace

Employers--
Give the Returned Soldier a Square Deal!

THE intelligent and untiring co-operation of employers throughout the whole of the country is the very keystone around which Canada's repatriation plans must be built.

Many employers are keeping positions open for soldiers who formerly held them. That is as it should be. But it is not enough. There are thousands of men being released from the army who have no definite positions to go to.

Every employer, in taking on new help, should, as far as possible, give preference to a returned soldier. Firstly, because he owes it to the returned soldier. Secondly, because it is good business to do so—and here's the reason: The soldier is a better worker, more efficient and dependable, because of his military training. He is a better citizen, with a broader outlook, a clearer vision of the things that matter.

Do not suppose for one minute that the soldier has lost initiative. The man who has been "over the top" is a man who has learned to do a job thoroughly—when it has to be done. He does not work by the clock.

But giving the returned man a job—and the best job you have—is not the only duty employers must discharge.

The returned man must also be given a reasonable chance to "pick up the threads" again.

He does not look for sympathy or for better consideration than those who did not actually serve in the fighting line.

He does not appeal for charity.

But he does demand *a square deal.*

The Repatriation Committee
OTTAWA

CANADA PERMANENT MORTGAGE CORPORATION

ANNUAL MEETING

The Annual Meeting of Shareholders of the Canada Permanent Mortgage Corporation was held at the Head Office of the Corporation, Toronto Street, Toronto, on Friday, February 7th, at twelve o'clock noon.

The chair was taken by the President, Mr. W. G. Gooderham. The Assistant General Manager, Mr. George H. Smith, having been appointed Secretary of the meeting, read the Report of the Directors for the year 1918, and the Statement of Assets and Liabilities, which are as follows:

REPORT OF THE DIRECTORS.

The Directors have much pleasure in submitting to the Shareholders the Annual Statement of the business of the Corporation for the year 1918, which has been duly certified by the Auditors.

The net profits for the year, after deducting interest on borrowed capital, expenses of management, all charges and losses, together with War Taxes and contributions to various Patriotic Funds, amounted to	$ 824,532.36
The balance at the credit of Profit and Loss at the beginning of the year was	197,977.41
Making the total available for distribution	$1,022,509.77
This sum has been appropriated as follows:—	
Four quarterly dividends of Two and One-half per cent. each on Capital Stock	$ 600,000.00
Transferred to Reserve Fund	250,000.00
Balance carried forward at credit of Profit and Loss	172,509.77
	$1,022,509.77

All of which is respectfully submitted.

W. G. GOODERHAM,
President.

Toronto, January 22nd, 1919.

GENERAL STATEMENT
31st December, 1918

LIABILITIES

Liabilities to the Public

Deposits and Accrued Interest	$ 5,461,936.42	
Debentures—Sterling—and Accrued Interest (£2,042,190 8s. 6d.)	9,938,660.05	
Debentures—Currency—and Accrued Interest	3,798,058.54	
Debenture Stock and Accrued Interest (£87,869 14s. 8d.)	427,632.71	
Sundry Accounts	12,589.75	
		$19,638,877.47

Liabilities to Shareholders

Capital Stock	$ 6,000,000.00	
Reserve Fund	5,500,000.00	
Dividend Payable 2nd January, 1919	150,000.00	
Balance carried forward at Credit of Profit and Loss	172,509.77	
		$11,822,509.77
		$31,461,387.24

ASSETS

Mortgages on Real Estate	$26,318,586.75	
Advances on Bonds and Stocks	502,866.06	
Municipal Debentures, Bonds, British War Loan, Dominion of Canada War Loans, and other Securities	2,045,344.17	
Real Estate acquired by Deed or Foreclosure	311,086.40	
Office Premises (Toronto, Winnipeg, Vancouver, Saint John, Edmonton, Regina, Woodstock)	628,355.11	
Cash on Hand and in Banks	1,655,148.75	
		$31,461,387.24

R. S. HUDSON,
JOHN MASSEY, } *Joint General Managers*

We beg to report that we have examined the foregoing accounts together with the books and vouchers of the Corporation, and that we have obtained all the information and explanations we have required. In our opinion the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Corporation's affairs, according to the best of our information, and as shown by the books of the Corporation.

A. E. OSLER,
HENRY BARBER, } *Auditors*
Chartered Accountants

Toronto, January 20th, 1919.

The adoption of the Report of the Directors was moved by the President, Mr. W. G. Gooderham, who said:

The Report which has just been read is one which it has afforded your Directors and Officers much satisfaction to submit. I believe it will prove equally gratifying to all the Shareholders.

In addition to payment of the usual ten per cent. dividend, we have once more increased the Corporation's Reserve Fund by a quarter of a million dollars. This fund now amounts to five and one-half million dollars and is only one-half a million less than the paid-up Capital. The balance remaining at the credit of Profit and Loss, while slightly less than a year ago, amounts to the very respectable sum of $172,509.77.

The money on deposit with the Corporation consists chiefly of the savings of thrifty people who seek primarily to be assured of unquestioned security for their money, and at the same time to obtain a reasonable rate of interest thereon. Our deposits, therefore, form one of the most stable portions of our borrowed funds. As was to be expected the Victory War Loans appealed very strongly to the patriotism of our depositors, who also recognized the unusually favorable investment they afforded, and as a result they were large purchasers of these Bonds. The volume of money available for loaning having been thus considerably reduced, there was an accompanying reduction in the net profits for the year, which, nevertheless, amounted to $824,532.36, equal to more than 13.74 per cent. of the paid-up Capital, or 7.20 per cent. of the total Shareholders' Capital.

The extremely heavy withdrawals for the purpose I have referred to have been to some extent replaced by new deposits, which have been most satisfactory. Our Sterling Debentures which matured in 1918, though the amount was unusually large, were almost fully renewed or replaced by new money, and our Debenture money obtained in Canada has somewhat increased. All these are most encouraging features of the year's operations. With the lessened requirements of the British and Canadian Governments, we may expect a gradual restoration of our borrowed funds, which have been so greatly reduced during the past four years, and this will better enable the Corporation to supply the requirements of real estate owners for loans. The lessened volume of loaning has not been due to an absence of demand, but to the necessity for refusing much desirable business in order that our depositors as well as the Corporation might do their duty by participating as largely as possible in providing the money, which was so urgently needed for the prosecution of the war, now as we all hope and believe so happily terminated.

Mortgages on Real Estate continue, as they always have been, to be the principal item in our Assets and amount to $26,318,586.75. It will be of interest to the Shareholders to know that for this large sum we hold 15.590 mortgages, every one on improved and productive property, averaging $1.688.17 each. The securities consist chiefly of cultivated farm lands and residences of moderate size and cost in our leading Cities. Experienced lenders and real estate dealers know that there are no classes of security so readily saleable under any circumstances as these two upon which the funds of the Corporation and its Depositors and Debenture holders are principally secured. Nor is there any class of borrower who so carefully attends to his obligations and strives to pay off his mortgage as the owner of a cultivated farm or of a modest home. Though the ability of many of our customers in the West to make their payments was adversely affected owing to the somewhat disappointing crop returns, the payments received from our mortgagors during the year exceeded five million dollars, or nearly one-fifth of the total mortgage loans and almost sufficient to have repaid every dollar of our deposits.

The amount of Bonds and Debentures owned by the Corporation is somewhat larger than at the beginning of the year, the increase consisting almost entirely of the Canadian Victory Loans.

That our Agents in Scotland have continued to manifest their splendid interest in the Corporation's affairs is evident from the fact, to which I have previously drawn your attention, that the amount of our Sterling Debentures has been so well maintained. For their influential and much valued services we again offer them our sincere thanks.

I think I have said sufficient to assure you that, in common with the other Directors and all who are most largely interested in the welfare and continued success of the Corporation, I am highly gratified with the results we have been able to present to you. From close personal knowledge, and daily association, I am thoroughly satisfied the position of the Corporation is to-day better and stronger than it has been and, remembering its sixty-four years' history, I could not possibly say more. Without further remark, therefore, I beg to move, seconded by the Vice-President, that the Report of the Directors be received and adopted and, together with the General Statement, be printed and a copy sent to each Shareholder.

The Vice-President, Mr. R. S. Hudson, in seconding the motion for the adoption of the Report, said:

I regret exceedingly the absence of Mr. W. D. Matthews, our First Vice-President, upon whom has usually devolved the duty of seconding the President's motion.

I shall not attempt to imitate his general remarks, which were always interesting and instructive. I may say, however, that before leaving the City Mr. Matthews expressed himself as well pleased with the result of the past year's operations and the present position of the Corporation. I think you will all agree that I know, or ought to know, the business and position of this Corporation as few others do, and I can say, with confidence, that during the forty-two years I have been associated with the Corporation it has never been in a sounder condition than it is to-day. It is true that for a third time in the last thirteen years, during each of which not less than $250,000 has been added to the Reserve Fund, the unappropriated profits have been somewhat reduced to make up the full quarter of a million dollars addition to the Rest.

This year there are special reasons for this. Some years ago the Directors and Management began gradually to adopt a certain policy of a most conservative nature with respect to the Corporation's Assets, which eventually became fully effective. During the year the Assets of the Oxford Permanent were purchased and, while these are all in good condition, they had not been dealt with on the same basis as the other Assets of the Corporation. It was considered desirable that there should be uniformity of procedure in this, as well as in other respects, at all the Branches of the Corporation. To bring these Assets in line with the others required a considerable portion of the amount transferred from Profit and Loss Account. In addition, about a million and a quarter dollars of deposits, upon which we are supposed to make some profit, were withdrawn for investment in Victory Loans during the past year. It is gratifying to find that our deposits are gradually and surely increasing again, although money withdrawn for Victory Loan purposes does not find its way back to the Loan Company, but to the Banks.

I should like to impress upon the Shareholders of this Corporation that they are practically the owners of The Canada Permanent Trust Company and are, therefore, vitally interested in its prosperity. It would, therefore, seem incumbent upon them in their own interests to direct to our Trust Company all business within its sphere of operation that they can possibly influence.

You are aware that the operations of Institutions which lend money on the security of real estate have been much beset with difficulties owing to the unjust interference by some Legislatures with contractual rights, though in many instances this interference has proven as disadvantageous to the honest and deserving borrower as to the lender. Some of the Western Provinces have also entered into competition with us by loaning on farm lands on a basis that has already entailed, and must continue to entail, financial loss to those Provinces for which additional Taxation must be imposed upon the large majority of the public which does not borrow from the Government.

The Statement we have presented to you to-day, showing such satisfactory results of the Corporation's business during the fifth year in which world finances have been disarranged by the war, affords evidences that, notwithstanding these minor difficulties, a Corporation like the Canada Permanent, transacting its business on a legitimate and business-like basis, and treating its customers fairly and with due consideration, need not be disturbed by such incidental and more or less temporary interferences which, while to some extent irritating, cannot have any serious permanent effect. Our Statement is one upon which the Shareholders may be sincerely congratulated and I have much pleasure in seconding the President's motion.

The motion having been put to the meeting, was unanimously carried.

The Shareholders, by a unanimous vote, approved and ratified certain subscriptions which the Directors had made for various war relief purposes.

The election of Directors for the ensuing year was then held, and resulted in the unanimous re-election of Messrs. W. G. Gooderham, W. D. Matthews, R. S. Hudson, Col. Albert E. Gooderham, J. H. G. Hagarty, John Campbell, S.S.C. (Edinburgh), John Massey, F. Gordon Osler, E. R. C. Clarkson, and William Mulock.

Messrs. Henry Barber and A. E. Osler were re-appointed Auditors for the current year.

The Board met after the adjournment of the Annual Meeting and re-elected Mr. W. G. Gooderham, President; Mr. W. D. Matthews, First Vice-President; and Mr. R. S. Hudson, Second Vice-President.

LONDON LIFE HAS $60,000,000 ON ITS BOOKS

Gain in Insurance in Force Was 55 Per Cent. of New Business

INCOME LARGER

Excess of Income Over Expenditure Was Slightly Greater Than in 1917, Despite Heavy Death Claims

A comparison of the position of the London Life Insurance Co. at the end of 1918 with its position at the beginning of the year indicates that this institution has come through a very trying period with creditable results. Gains have been recorded in new business, in insurance in force, in income and in assets—all that goes to make up a strong company—while only in the matter of death losses, with their consequent effect on the surplus, has there been any unfavorable outcome.

The company accepted during the year 52.816 applications for insurance, amounting to $16,433,580. The number of applications was slightly less than in the previous year, but the amount of insurance issued was greater by over $700,000. The business in force at the end of the year aggregated $59,804,429, a gain of $9,017,064. This gain represents approximately 55 per cent. of the new business, which is a satisfactory showing in a year such as 1918. Of the insurance issued 30,109 policies are under the ordinary plan, and 189,732 under the industrial plan.

Receipts and Payments

The net premium income for the year was $2,249,348, of which $1,246,689 was "ordinary" and $1,002,658 "industrial." The 1917 income from this source was $1,908,100, so that the gain was well over $300,000. Interest receipts amounted to $530,535, an increase of $55,000. From both sources there was an increase of nearly $400,000.

On the other hand disbursements have also grown. There was paid out in death claims $588,705, of which $356,888 was incurred under ordinary and $231,817 under industrial policies. These figures compare with total death claims of $381,204 in 1917, $196,760 being under ordinary and $184,443 under industrial policies. It is explained that, of the total claims paid during the year, $23,308 resulted from the Halifax disaster of the year previous; $157,197 from war and $168,333 from influenza claims, these aggregating more than half the total.

Among other payments to policyholders may be noted profits of $43,120, comparing with $31,197 in 1917; surrenders, $71,655, comparing favorably with $88,554 and matured endowments, $193,097, comparing with $143,830. Total payments to policyholders were $900,107, an increase of over $250,000.

Under the heading of salaries and commissions the company disbursed $543,729, as against $473,119 in 1917, while all other expenses at $255,017 were about $15,000 in excess of the previous year. Total disbursements were accordingly $1,702,854, leaving a balance of approximately $1,080,000 for investment. As this is slightly larger than in 1917 it may be said that increased receipts more than offset the increased expenditure.

Position of Assets

The company's assets show the substantial gain of $1,139,388 during 1918, and at the end of the year valued at over eight million dollars. At the end of 1917 mortgages at $3,547,285 still had a slight lead on bonds and debentures, but the investments of 1918 have reversed the positions of the two, mortgages having declined to $3,262,338, while bonds and debentures have increased from $3,251,461 to $4,571,586. The change is attributable, of course, to heavy buying of war bonds. Cash loans on policies are placed at $463,039, with premium loans on policies at $99,963. The distinction was not made in 1917, when loans on policies totalled $584,211. The deduction is that policyholders have been reducing their loans.

Compared with some other companies the London Life does not show a very large surplus. This is due, however, to the practice of the company of setting aside in the liabilities a sum sufficient to cover all the profits earned on participating policies to the anniversary of such policies in the current year, as well as of providing for a sufficient investment reserve. Were these allowances included, the surplus would stand at $926,605. However, omitting them, the balance, which, of course, is available for any extraordinary strain to which the company may be subjected, is $123,991. This compares with $255,225 at the end of 1917.

In his report, Edward E. Reid, the actuary, states that the percentage of the business now on a 3 per cent. reserve basis is 90.7 per cent. "It is quite evident," he adds, "that the transition to a full 3 per cent. basis for all business in force can be made in the near future with little inconvenience."

With respect to profits, Mr. Reid says: "As it is felt that the mortality rate for 1919 will resume a more reasonably normal figure, and as the company's surplus was ample to cover the extraordinary losses of the year, it has not been deemed necessary to reduce the scale of profits to policyholders which has been in force for the past three years."

GREAT-WEST LIFE WROTE 30 MILLIONS

Now Ranks Second Among Canadian Companies For Business in Force

CLAIMS VERY HEAVY

Of Total Death Losses of Over $4,000,000 in Past Four Years Half Arose From War and Influenza

With assurance in force at December 31, 1918, of $170,863,673, the Great-West Life Assurance Company lays claim to third position among Canadian life companies with respect to the volume of business on its books and to second place having regard to purely Canadian business. In this respect it is rather interesting to learn that of total applications received during 1918 of $36,571,223, about one-third were derived from the provinces of Manitoba and Saskatchewan, which indicated the esteem in which the company is held in its home constituency. More than half the company's business is written in the territory west of the Great Lakes.

The Great-West Life did not make quite the spectacular gain in new business written in 1918 that it did in 1917, but with $30,659,557 issued, it held its ground very well indeed. The gain in assurances, viz. $18,220,508 fell somewhat short of the 1917 gain of $19,626,717, but in view of the abnormal mortality, this was by no means an unexpected result. As a matter of fact applications for insurance in 1918 were considerably larger than in 1917 and the reason that more business was not issued was presumably because the increase in applications was felt towards the end of the year. January 1919 applications have reached the huge total of $5,000,000, which compares with a $3,000,000 monthly average in 1917.

The Mortality of 1918

Examining the Great-West Life's mortality figures, the significant feature is again the large number of claims arising from influenza. Total death claims incurred were $2,012,240, of which $950,055, or little short of half, arose from the epidemic; the war accounted for $382,935, leaving ordinary claims at the very reasonable figure of $679.790.

In his address to shareholders, President Alexander Macdonald stated that of total claims of $4,670,000 incurred during the past four years, $2,338,640, or roughly one-half, were due to war and influenza. Since the inception of the war, death claims on enlisted soldiers, including the results of disease as well as of battle, amounted to $1,451,352.

Expansion of Assets

In common with other life companies, the Great-West Life shows a heavy accumulation of bonds and debentures during 1918. At the end of 1917, the statement showed holdings of bonds and debentures amounting to $4,743,181. In the twelve months these had grown to $7,780,734 or by over three millions. Included in this total are $4,772,458 in Canadian Government bonds, which have since been increased to nearly six millions.

Mortgage loans have been practically stationary at $13,037,729, but it is interesting to learn from President Macdonald's remarks that during the past six months of the year, the loaning business has been stimulated, with the result that loans for nearly a million dollars have been accepted, which will be paid out as soon as the necessary legal papers are completed. These loans are nearly all on farm properties, and are at rates of interest fully equal to those obtainable in past six years.

The relative position of the company's investments is explained by Mr. Macdonald. At December 31, 1914, bonds and debentures only amounted to about $300,000, while mortgages amounted to $11,681,571. Now the former stand at $7,780,734 and the latter at $13,037,729. The interest rate by reason of these changes has been slowly falling. In 1916 it stood at 7.58 per cent.; in 1917 at 7.36 per cent. and in 1918 at 7.16 per cent.

Income and Outgo

The company's premium income in 1918 amounted to $5,488,460, an increase of half a million dollars for the year; interest and rent receipts totalled $1,626,257, an increase of over $125,000. Total income exclusive of calls on capital and ledger cross entries, was $7,129,105, as against $6,436,239 in 1917. There was paid out to policy holders $2,541,467, which compares with $2,154,083 in the previous year; expenses, etc., called for $1,375,265, a very small increase for the twelve months. In fact the expense ratio is being steadily reduced.

With respect to profits the report states quite frankly that it has been thought advisable to withhold one year's earnings in order to offset the claims due to the epidemic of influenza. With this exception the profits payable to policyholders during 1919 will be the same as in 1918.

Position of Surplus

In common with nearly all life companies, the Great-West Life's balance sheet indicates that the heavy losses of the year have made it necessary to draw on the surplus. At December 31, 1917, this stood at $3,074,958; at the end of 1918, it had been reduced to $2,883,439. Concurrently death claims outstanding are up from $266,655 to $758,073, which shows how serious has been the effect of the influenza. The contingency reserve has been drawn on to the extent of $75,000 and stands at $225,000. Otherwise there is no feature of the balance sheet requiring special mention.

WESTERN LIFE HOLDS ITS OWN

This Young Company Made Progress Despite the Trying Conditions Encountered

During its seventh year of operation the Western Life Assurance Company of Winnipeg was able to hold its own very satisfactorily, in view of the many adverse conditions under which it, in common with all life companies, had to do business. Receipts from premiums and interest amounted to $99,207, while payments to policy holders, taxes and expenses took $84,364, leaving a balance to the good of nearly $15,000. In 1917, the corresponding figures were $76,099 and $74.253, leaving a balance of less than $2,000.

There was paid in by stockholders the sum of $38,076, against which may be charged organization expenses of $12,036. Taking these figures into account, as well as income from other sources, there is shown an excess of receipts over expenditures of $41,109, which has enabled the company to build up its assets sufficiently to permit of its maintaining its position for the year.

Expansion of Business

The company issued and revived assurances of $1,206,250 in 1918, as against $1,054,750 in 1917 and $426,848 in 1916. To its assurances in force it added $675,803, or 32 per cent. of the new business, with the result that total assurances in force now stand at $2,767,702.

During the twelve months, assets have been enlarged from $193,153 to $246,517. The big change has been in bonds and debentures, holdings of which have increased from $78,849 to $163,505. Mortgage loans show a contraction from $20,778 to $15.921, while policy loans are up from $12,021 to $15,219.

The company paid in death claims $12,444, as against $8,250 in 1917. Of these payments $9,000 are reported as having been due to the war. Total claims incurred during the year were $19,161, of which $10,967 were due to the war.

The reserve on policies in force, computed on the Dominion Government standard, was increased from $110,917 to $153,055. Allowing for all other liabilities, excluding paid-up capital, there is an excess of assets over liabilities of $73,132, which compares with $70,203 at the end of 1917. This is progress in the right direction, though it must not be overlooked that the paid-up capital has also grown and now amounts to $116,977.

CAPITAL TRUST

Substantial Increase in Profits Shown for 1918

Continued growth of the Capital Trust Corporation is indicated in the annual statement for 1918, which shows profits of $19,354, compared with $15.332 for 1917, while total assets of $1,959,792 show an increase, as compared with $1,577,936 a year ago. The following comparative figures show the expansion of assets under the several groupings of accounts shown in the balance sheet:

	Capital Account	Guaranteed Invest. Account	Estate, Trusts, etc.
1918	$450,777	$448,335	$1,060,680
1917	385,934	345.698	846,305
1916	334,496	249.172	707.046
1915	288,214	146,541	482.560
1914	236,274	69,076	233,503
1913	155,550	5,400	......

The net profits of $19,354 compared with $15,332 for the previous year, but the latter figure was after deducting $2,701 for organization expenses. The company has only been operating for six years and has, therefore, had to face war conditions during the greater portion of its career. Under these conditions the steady expansion must be regarded as very satisfactory.

New union of French post office, telephone and telegraph department employes, in reply to demand for 100 per cent. wage advance, are promised 200 per cent. increase. with possible further 50 per cent. if cost of living continues up. Workers will get special 10 franc daily allowance till necessary legislation is passed.

GOVERNMENT PAID DAMAGE OF EXPLOSION

Finances of Eastern Canada Savings and Loan Did Not Suffer

READJUSTING CAPITAL

Directors Are Considering Extension of Benefits of Profitable Years to Company's Shareholders

When S. M. Brookfield, president of the Eastern Canada Savings and Loan Company, submitted his annual report for 1917, he stated that in connection with the heavy property damage, resulting from the Halifax explosion, the Dominion Government had appointed a permanent relief commission for the purpose of meeting and relieving those who had suffered and for the restoration of property destroyed. Under the circumstances it was not anticipated that the directors of the company would suffer any loss. Otherwise, however, necessary appropriations would be met out of the contingent fund. This attitude on the part of the board has been justified. Mr. Brookfield, in reporting for 1918, states that losses sustained by the company's borrowers through the explosion have been settled by the Halifax Relief Commission and no loss has resulted to the company in this connection. Under the circumstances the directors feel assured that the shareholders will be pleased with the result of the year's operations especially when it is considered that for a time following the explosion the loaning branch of the company's business was not up to the average. Mr. Brookfield also calls attention to the fact that the rate now paid to investors in the company's securities is ½ o[illegible] per cent. higher than last year, whereas the loaning rate remains unchanged.

Capital Readjustment

Some change in the company's capital position is predicted by Mr. Brookfield in pointing out that the affairs of the company are in a very strong condition, the profits for the past seven years having averaged over 12 per cent. Under the circumstances it is possible that the directors may consider it advisable to give the shareholders the benefit of this prosperity by calling up the balance of the subscribed capital, viz., 50 per cent., and thus make the shares of $100 each fully paid up, the shareholders paying up the 50 per cent. at par and getting a return at 8 per cent. based on the present rate of dividend. If this is decided upon, the calls would probably be 20 per cent. or $10 per share, and extend over two or three years. As the book value of the stock is now 160 per cent. the directors believe that the shareholders will appreciate the benefits they would receive by this action.

The Year's Results

The earnings for the year were $119,182 compared with $120,148 for 1917 and $194,966 for 1916. Interest and other charges amounted to $70,621, leaving net profits of $48,561 compared with $48,743 for 1917 and $42,631 for 1916. After the payment of dividends and making allowance for other appropriations, $14,000 was added to reserve. Following are comparative figures of the profit and loss account for the past three years:

	1918	1917	1916
Earnings	$119,182	$120,148	$104,966
Int. on debs.	49,735	49,614	41,456
Int. on dep.	5,704	5,451	5,613
Management	12,409	11,781	11,475
Written off	1,043	2,094	2,074
Taxes	1,730	2,465	1,717
	$ 70,621	$ 71,405	$ 62,335
Net profits	$ 48,561	$ 48,743	$ 42,631
Prem. on stock	527	2,365	27,482
	$ 49,088	$ 52,108	$ 70,113
Distribution—			
Dividends	$ 29,952	$ 29,297	$ 25,347
Patriotic	500	1,050	1,150
Reserve	14,000	15,000	39,999
War tax	1,499	3,761	3,616
For repairs	3,167	......	......
Contingent	......	3,000	......
	$ 49,088	$ 52,108	$ 70,113

The total assets amounted to $2,104,345 compared with $2,112,551 in the previous report. There was a reduction of about $45,000 in debentures and debenture stock outstanding, but this was almost entirely made up by increased deposits. On the other side there was some increase in mortgage investments and in demand loans resulting in a reduction of cash on hand. Following are features of the company's earnings record for the past five years:

Year	Paid-up Capital	Profits	Div.	% Profits Cap.	Earn. Rate
1918	$ 375,000	$ 48,561	8	12.9	8.5
1917	372,890	48,743	8	13.1	8.9
1916	359,450	42,631	8	12.2	10.6
1915	250,000	33,540	8	13.4	8.7
1914	250,000	29,000	8	11.6	7.6

CANADIAN MORTGAGES CONSERVATIVE POLICY

Little Expansion Shown in Face of Legislation Regarded as Unsatisfactory

The total income of the Canadian Mortgage Investment Company for 1918 amounted to $182,996, compared with $199,605 in 1917. Net income after providing for expenses of management, debenture interest, Government taxes other than war taxes and making provision for possible contingencies, amounted to $104,070, compared with $115,403 in 1917 and $112,472 in 1917. Dividends took $73,431 and war taxes $2,521, the balance being carried forward and increasing the surplus from $5,000 to $33,119. Following are comparative figures of the profit and loss account for the last three years:—

	1918	1917	1916
Profits	$104,071	$115,403	$112,472
Bal. for'd.	5,000	8,035	13,230
	$109,071	$123,438	$125,702
Distribution—			
Dividend	$ 73,431	$ 73,094	$ 72,667
Reserve	......	40,000	45,000
War tax	2,521	3,444	......
Patriotic	......	1,900	......
Balance	33,119	5,000	8,035
	$109,071	$123,438	$125,702

Following are comparative figures of the company's earnings record for the past four years:—

Year	Paid-up Capital	*Profits	Div.	% Profits Cap.	Earn. Rate
1918	$1,231,630	$101,550	6	8.2	6.0
1917	1,223,850	111,959	6	9.2	6.7
1916	1,218,227	112,472	6	9.3	6.9
1915	1,211,116	121,896	6	10.1	7.7

*After deducting war tax.

The balance sheet shows total assets at the end of the year of $2,406,613, as compared with $2,382,635 a year ago. Debentures outstanding declined from $621,688 to $606,966 during 1918, while on the other side, loans on first mortgages declined from $1,616,697 to $1,565,170, while stocks and bonds increased from $429,767 to $486,252, and cash on hand from $31,678 to $60,263. This company has been inclined to follow a conservative course in view of the unsettled conditions in the business field and the general tendency of the Provincial legislatures to disregard the investor's rights.

NATIONAL TRUST EARNINGS SHOW NEW HIGH RECORD

Pre-war Showing For Profits Was Passed Last Year

GREAT EXPANSION

Balance Sheet Shows Total Assets of $80,000,000, Compared With $44,500,000 Six Years Ago

The signing of the armistice having brought a practical end to actual war conditions during the latter part of 1918, it is interesting to note that the profits of the National Trust Company for the year reached a level substantially higher than the previous best record established in 1913, the last full annual period before the outbreak of the European conflict. The net profits, after deducting cost of management and making allowances for contingencies, etc., amounted to $266,784; this compared with $251,334 for 1917 and with $252,022 in 1913. The return on capital was at the rate of 17.7 per cent., as compared with a 10 per cent. dividend paid, and against 16.7 per cent. on capital in 1917 and 16.8 per cent. in 1913. Following are features of the company's earnings record for the past six years:

Year	Net Profits	% on Cap.	Div.	Stock High	Stock Low
1918	$266,784	17.7	10	...	...
1917	251,334	16.7	10	212	207
1916	236,254	15.7	10	210	210
1915	229,152	15.2	10	223	223
1914	237,869	15.8	10	230	225
1913	252,022	16.8	10	225	220

Including the balance brought forward there was available for distribution $389,102. Dividends took $150,000, $50,000 was written off premises and taxes and patriotic contributions took $27,000. A very substantial balance still remained and of this $150,000 was added to reserves, $100,000 going to the reserve fund, making a total of $1,[illegible]00,000, as compared with a capital stock of $1,500,000 and $50,000 being devoted to a special reserve for new branches. Following are comparative figures of the profit and loss account for the past three years:—

	Capital Account	Guaranteed Account	Estates, etc.
1918	$3,238,221	$6,897,900	$69,955,548
1917	3,197,122	7,717,790	65,807,722
1916	3,174,174	7,371,097	58,651,782
1915	3,140,543	6,986,333	49,205,608
1914	3,139,890	6,521,702	42,033,086
1913	3,113,501	6,527,244	34,874,756

Continued Development

While for the first time since 1913, the pre-war records for profits and earnings were passed in 1918, it is significant that during that period there has been a marked expansion in the company's business, total assets having grown from $44,515,502 to $80,091,670 in the period referred to. The 1918 statement showed assets of $76,722,000 or an increase of considerably over $3,000,000 for the year. The totals under the various heads during the past six years are summarized as follows:—

	1918	1917	1916
Net profits	$266,784	$251,334	$236,254
Bal. forward	122,398	96,314	73,560
	$389,182	$347,648	$309,814
Dividends	$150,000	$150,000	$150,000
Premises	50,000	50,000	50,000
War tax	14,000	10,000	.....
Red Cross	13,000	15,250	13,500
Reserve	150,000	.....	.....
Balance	12,182	122,398	96,314
	$389,182	$347,648	$309,814

Analysis of the statement of assets shows a further decline in mortgage investments, that item under capital account having dropped from $773,810 to $596,656 and under guaranteed trust account from $5,415,024 to $4,922,531. At the same time there has been a marked expansion in loans on debentures and stocks, the figures having increased from $874,841 to $1,221,290 under capital account and from $1,101,932 to $1,151,690 under guaranteed account. These changes indicate a continuation of those conditions in the mortgage field which have been in evidence for some years; on the one hand, there has been a contracted field for loans, while on the other, Government and other flotations have given an opportunity for profitable investment of surplus funds with a high margin of security so attractive under the prevailing unsettled conditions.

The great bulk of the company's assets are carried under the estate, trusts and agency accounts which total $69,955,548, but details of which are not available for comparison.

The Peel Farmers' Insurance Co. has had a very successful year in spite of the heavy fire losses of 1918. The year's business shows an increase of $130,329 over the previous year, making a total insurance of $11,937,169. Sixty-three more policies were issued than in 1917, making a total of 4,421.

TENDERS INVITED

For Purchase of

British Forgings, Limited

Toronto, Canada

(Owned by Imperial Munitions Board)

The Largest Electric Steel Plant in the World

Plant in Part Comprises:

Scrap Metal Shed—600′ x 80′, equipped with Travelling Cranes, including Electric Magnets.

Melting House—600′ x 100′, equipped with 10 6-ton Herault Electric Furnaces, with 5 Travelling Cranes and auxiliary equipment.

Forge Shop—300′ x 120′, contains 6 Presses and complete oil furnace equipment.

Power House—80′ x 140′, equipped with Accumulators, Pumps and Auxiliary Machinery.

Site—130 acres, leased from Toronto Harbor Commission.

Dockage—5,000 feet of concrete dock, accommodating vessels of 24-ft. draught.

Railways—Grand Trunk service at present; in near future service from Canadian Pacific and Canadian Northern Railway. No interswitching charges.

Power—23,000 H.-P. available at $17.50 per H.-P. per annum, with long-term power contract.

Inspection invited. Write for particulars to

R. HOME SMITH

Agent, Imperial Munitions Board
18 KING STREET WEST, TORONTO, ONT.
Phone Adelaide 1590.

Annual Meeting of the

Montreal City and District Savings Bank

Montreal, February 10th, 1919.

At the Annual Meeting of the Montreal City & District Savings Bank, held at noon, were present: Honorable R. Dandurand, Richard Bolton, G. N. Moncel, F. W. Molson, D. A. Hingston, Clarence F. Smith, H. H. Judah, Zephirin Hebert, W. R. Miller, P. F. McCaffery, Henri Gerin Lajoie, James Wilson, Paul Ouimet, H. R. Hingston, Pierre Buellac.

Honorable Raoul Dandurand, President, took the chair, and Mr. A. P. Lesperance, General Manager, acted as Secretary.

Moved by Honorable Raoul Dandurand, seconded by Richard Bolton: That the Annual Statement and Reports now read be received and adopted.

Moved by H. Gerin Lajoie, seconded by James Wilson: That the thanks of the meeting are due and hereby tendered to the President, Directors, Manager and other officers of the Bank, for their attention to the interests of the Bank during the past year.

Moved by Pierre Buellac, seconded by W. R. Miller: That Messrs. A. Cinq-Mars and Charles A. Shannon be named Auditors for the ensuing year, their remuneration as such to be the same as last year.

Messrs. P. F. McCaffrey and Paul Ouimet were named Scrutineers, and the same Board of Directors was re-elected.

At a subsequent meeting of the Board, held this day, Honorable Raoul Dandurand was elected President, and Mr. Richard Bolton, Vice-President, for the ensuing year.

SEVENTY-SECOND ANNUAL REPORT

Montreal, February 10th, 1919.

To the Shareholders,

Gentlemen:

Your Directors have pleasure in presenting the Seventy-second Annual Report of the affairs of the Bank and the result of its operations for the year ending December 31st, 1918.

The net profits for the year were $234,642.18, and the balance brought forward from last year's Profit and Loss Account was $214,023.56, making a total of $448,665.74. From this amount have been paid four quarterly dividends to our Shareholders and $14,000 has been contributed to the Red Cross and other Patriotic and philanthropic Funds, leaving a balance at the credit of Profit and Loss Account of $243,942.90 to be carried forward to next year.

Your Directors have to record, with sincere regret, the death of their colleague, Honorable Sir Evariste LeBlanc, Lieutenant-Governor of the Province of Quebec, which occurred on the 18th October last. Although only recently appointed, Sir Evariste brought to the service of the Board a clear business sense, a sound judgment and the prestige of a brilliant reputation.

The vacancy on the Board has been filled by the appointment of Mr. Zephirin Hebert.

As usual, a frequent and thorough inspection of the books and assets of the Bank has been made during the year.

The report of the Auditors and the Balance Sheet are herewith submitted.

R. DANDURAND,
President.

STATEMENT

of the affairs of The Montreal City and District Savings Bank on the 31st December, 1918.

ASSETS

Cash on hand and in chartered banks	$ 8,586,768.68	
Dominion and Provincial Government Bonds	7,254,409.72	
City of Montreal and other Municipal and School Bonds and Debentures	15,118,360.28	
Other Bonds and Debentures	1,307,403.36	
Sundry Securities	210,000.00	
Call and Short Loans, secured by Collaterals	7,591,107.92	
Charity Donation Fund, invested Municipal Securities, approved by the Dominion Government	180,000.00	
		$40,248,049.96
Bank premises (Head Office and fifteen Branches)	$ 615,000.00	
Other Assets	315,069.91	930,069.91
		$41,178,119.87

LIABILITIES

To the Public:		
Amount due depositors	$33,808,573.39	
Amount due Special deposits, without interest	3,484,033.60	
Amount due Receiver-General	520,452.48	
Amount due Charity Donation Fund	180,000.00	
Amount due Open Accounts	110,017.50	
		$38,103,076.97
To the Shareholders:		
Capital Stock (Amount subscribed $2,000,000), paid up	$ 1,481,100.00	
Reserve Fund	1,350,000.00	
Profit and Loss Account	243,942.90	3,075,042.90
		$41,178,119.87

On behalf of the Board,
R. DANDURAND,
President.

A. P. LESPERANCE,
Manager.

AUDITORS' REPORT

Having obtained all the information and explanations we have required, and having satisfied ourselves of the correctness of the Cash Balances, and examined the Securities held against the Money at Call and Short Notice, and those representing the investments of the Bank, and having examined the foregoing Balance Sheet and compared it with the Books at the Head Office, and with the Certified Returns from the Branches, we are of opinion that the transactions of the Bank have been within its powers, and that the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs as shown by the Books of the Bank.

A. CINQ-MARS, C.A.
C. A. SHANNON, L.I.A. Auditors.

Montreal, February 4th, 1919.

The Sovereign Life Assurance Company of Canada

Head Office: WINNIPEG, CANADA

DECEMBER 31st, 1918

Total Cash Income	$ 399,455.36
Total Assets	1,554,225.96
Reserves for Policyholders	1,052,129.00
Investment and Other Reserves	146,890.24
New Assurances Issued	$3,126,738.00
Net Gain in Amount in Force	1,838,936.00
Total Assurances in Force	9,465,620.00
Rate of Interest Earned	6.34%

EXTRACT FROM DIRECTORS' REPORT FOR 1918

SURPLUS.—The surplus which one year ago stood at $145,399.59 is now **$104,015.22**. Your Directors feel that they have reason to congratulate the Company on the fact that it has so well withstood the strain of such a year as 1918, in which the burden of extra death claims, due partly to the war but chiefly to the influenza epidemic, reached such phenomenal figures in all companies. The necessity of maintaining substantial contingency or rest funds was never so forcefully exemplified as during the year just closed. The moderate decrease in surplus experienced by this Company in 1918 and the thoroughly sound position which it now occupies, should inspire confidence in its ability to cope successfully wth any future conditions which may arise.

BALANCE SHEET

ASSETS

Bonds, debentures and debenture stocks (ledger value)	$ 788,200.19
Stocks owned by the Company (ledger value)	13,400.00
First mortgages on real estate	458,768.46
Value of real estate held by the Company	35,810.11
Loans on policies secured by reserves	166,655.98
Liens on policies under non-forfeiture provisions	15,697.70
Cash in Banks, Head Office and Agencies	26,059.62
Due on account of Staff Subscriptions to Victory Loan	495.00
Interest accrued and outstanding	46,806.93
Net outstanding and deferred premiums (with allowance for deduction of 35 per cent. of first year premiums and 10 per cent. of renewal premiums)	50,016.07
Office furniture (less 10 per cent. written off)	2,335.90
	$1,604,225.96

LIABILITIES

Reserve fund on Government standard to cover the Company's entire liability under policy contracts, together with additional reserve voluntarily maintained	$1,052,129.00
Reserve for extra mortality and contingencies	20,000.00
Investment Reserve	50,000.00
Surrenders claimable on cancelled policies	12,392.06
Policyholders' dividends due and unpaid	363.18
Reserve for matured instalment policies	14,635.00
Death claims reported, proofs not completed	49,500.00
Premiums and interest paid in advance	6,990.15
License fees and taxes due and accrued	3,801.53
Sundry accounts due and accrued	3,628.74
Shareholders' account	26,776.07
Instalments due on bonds purchased	50,000.00
Capital paid up	209,995.00
	$1,500,210.74
Surplus to Policyholders above all liabilities	104,015.22
	$1,604,225.96

DIRECTORS FOR 1919

PRESIDENT—R. R. Scott, President The Scott Fruit Company, Winnipeg.
FIRST VICE-PRESIDENT—William Grayson, K.C., Moose Jaw, Sask.
SECOND VICE-PRESIDENT—D. E. Williams, Director Traders Trust Company, Winnipeg.

DIRECTORS—W. Sanford Evans, Ottawa; E. E. Sharpe, Winnipeg; W. F. Hull, Winnipeg; George N. Jackson, Winnipeg; John Graham, Winnipeg; John McClelland, Toronto; R. G. Macdonald, Brandon; Alexander Melville, Winnipeg; H. J. Meiklejohn, M.D., Managing Director, Winnipeg; M. D. Grant, F.I.A., Secretary and Actuary.

FULL ANNUAL REPORT AND STATEMENT FURNISHED ON REQUEST

DECLINING DAYS OF CANADA FOOD BOARD'S REGIME

Something of the Trials and Tribulations of the Controller

HAD MANY PROBLEMS

Mr. Thompson Has Faced a Lot of Criticism, But Now That it is All Over No One is Very Badly Hurt

By Resident Representative

OTTAWA—The Canada Food Board offices are now very different from the scene presented to the visitor when the war was on. The staff has been greatly reduced since the war ended, and now consists of barely sufficient with which to carry on the operations of the Board to their conclusion, which is not far off. The premises of the Board have been moved a few doors west to the Rideau Building, and the offices they are occupying will probably merge gradually into those of the Canadian Trade Commission. This latter body has not got formally to work yet as a body, but H. B. Thomson is giving it his attention, as well as winding up the activities of the Food Board.

It will likely be a considerable time before the food supplies of the world are allowed to run freely in their old channels, trickling down to a small stream here and swelling to a flood there, as was the case in the past. Wherever the German set his foot, he not only stripped the country of its visible supplies, but in passing through he saw to it that where two blades of grass had grown in the past, none should grow in the near future. As a consequence, while we have two crops piled up in the Argentine, three in Australia, and a surplus in India and some other countries, Roumania, Serbia, Russia, Poland, and other countries are in extremities; France, Belgium, and Italy are only a degree better; even in Holland, which war has not actually touched, had to adopt a rationing plan in December, a month after the war ended. It will take a considerable time to get production back to normal in Europe, and during that time a careful watch, at least, must be maintained on the food supply of the world.

No Job for a Nervous Man

It would be a hard and an ungrateful thing if the Canada Food Board should go out of being unwept, unhonored, and unsung. It has been the target for more criticism than, and as much abuse as, any public institution ever created in Canada. If there is a vulnerable point in the long armor of H. B. Thomson, the chairman, some of the winged arrows of wrath sent against him must have found lodgment. The things that have been done to that man—mostly over the telephone, or by mail—by irate producers and frenzied consumers would make the average man shrink, both mentally and physically, away below normal; Thomson seems to have been designed by nature for a food controller, with a large margin of shrinkage allowed. It is not a job for a man with a nervous disposition. Judging by some of the letters sent into the Board, and some of the remarks made upon its operations, little children robbed of their full daily complement of sugar, or restricted in their morning supply of bacon, as they dip their ration of "substitute" bread in their high-priced milk, couple the names of Thomson and the Kaiser when they lisp their evening prayers.

We are a very democratic people in Canada, and therefore impatient of control. Until this war came, the only restriction put on personal liberty in Canada was that, theoretically, each man's liberty should stop only where the next man's began. Having respect to his digestion, he could eat whatever he could get the money to buy. When food control was announced, it got off to a bad start. The average man took it as meaning not rationing of supplies, but control of prices; and when he found it meant that he would have to eat less, and pay more for it, a roar started which is still reverberating mildly from the Atlantic to the Pacific. It is true, profits were limited in essential articles. The producers knew it, and the consumers would not believe it, which is the reason why both classes used to attack the Food Board from their respective angles.

Appeasing an Outraged Stomach

The prejudice which existed against food control was of the sort which did not wish to be removed. It was a scapegoat's job. Somebody had to be damned for the indignities, mild though they were, which were inflicted on the national stomach. What restaurant boarder, as he took in hand his morning ration of sugar, which, in its white envelope, looked like an attenuated Siedlitz powder, and debated with himself whether he should use it on his porridge or his coffee, did not change the prescribed before meat to a heartfelt "Damn the Food Controller!" Some irrationality over rations might be permitted to the Democrat at the breakfast table, having his morning hate, but it is somewhat surprising that it should penetrate to the cloistered quiet of the editorial sanctum. Better things might be expected, for example, than those we find in a recent editorial in the Toronto "Telegram," under the caption: "The Folded Hands of the Food Board." This article intimates that while the United States Food Administration controlled profiteering efficiently, the Canada Food Board did not. The statement was also made that the Canada Food Board did not impose penalties for infractions of the food regulations. The writer in the "Telegram" cites in support of his case the price of turkey in the City of Baltimore. The absurdity of the illustration, which is the only one given, suggests the value of an inquiry which should show just what was the effect of food control on the table of the average family in Canada and the United States, respectively.

Food Prices Both Sides of the Border

Statistics compiled by the Labor Departments of each country in September, 1918, for 60 cities in Canada and 40 cities in the United States, show the following comparative costs for the weekly budget of the average family:

	Canada 60 cities	United States 40 cities
Bread, 15 lbs.	$1.170	$1.485
Flour, 10 lbs.	.680	.680
Butter, 3 lbs.	1.486	1.776
Milk, 6 qts.	.744 (Imperial)	1.029
Cheese, 2 lbs.	.643	.720
Eggs, 2 doz.	1.065	1.172
Bacon, 1 lb.	.511	.562
Beef, 4 lbs.	1.363	1.426
Pork chops, 1 lb.	.403	.461
Potatoes, 2 pecks	.707 (Imperial)	.702
Beans, 1 lb.	.169	.169
Rice, 2 lbs.	.238	.274
Tea, ½ lb.	.303	.332
Coffee, ¼ lb.	.114	.076
Sugar, 4 lbs.	.472	.384
Lard, 2 lbs.	.740	.672
Prunes, 1 lb.	[illegible]	.174
	$10.991	$12.094

In the above comparisons, five items out of the seventeen are slightly lower in the United States than in Canada—lard, coffee, potatoes, sugar, and prunes. Of the other items, ten are lower in Canada than in the United States, and two are the same price. At present, potatoes are selling in Canada at from $1.40 to $1.70 a bag, wholesale, and at $2.25 to $2.37 in New York. Coffee, sugar and prunes are naturally lower in the United States than in Canada, as we are farther from the source of supply. The United States is one of the world's greatest producers of lard. Acknowledging the "Telegram's" turkey, the balance is still decidedly in favor of the consumer in Canada. It is submitted that, with the possible exception of one day in the year in either country, turkey is not a necessity of life.

In the case of such necessaries as dairy products and bread, the Canadian consumer was in a more favorable position than his neighbor across the line. Restrictions were placed on the export of butter, which prevented it shooting up to the high prices prevailing in the world market. One of the most severe privations in Europe was the scarcity of fats; it seems to have had much to do with the final collapse of Germany internally—speaking both of the country and of the people. The Food Board aimed to keep an adequate supply in Canada at a controlled price, exporting such surplus as was available to enable Great Britain to maintain its pitiable ration of two ounces a week.

Where the Board Put Down Its Foot

In the case of milk, the Board had to fix the spread between producer and consumer so as to both prevent profiteering and see that production was not discouraged. High milk would have been bad, but scarce milk, or no milk at all, in many cases, would have been a national menace. The Board had the children particularly in mind. The amount allowed to the condensing plants was also strictly controlled. The Board has had to consistently refuse requests of importers in the United States, where the price is still higher than in Canada. In New York City, for example, the price is twenty cents a quart, and they are having great difficulty in getting supplies.

Cheese was kept to a lower price here than in the States, and the same is true of bread. In Great Britain the price was as low as, or lower than here, but the Government paid the difference between the peace price and the war price out of the national exchequer.

So far as the question of punishing those who disobeyed the food regulations is concerned, it is sufficient to point out that the enforcement of food and all other laws remained in the hands of the authorities in Canada constituted for that purpose. The Board could and did call for investigations and prosecutions on evidence secured, and penalties were imposed in hundreds of cases in all provinces.

The Most Unpopular Job

Food control was an experiment; the position of the Controller was the most unpopular public office ever undertaken by any man in Canada with more kicks than half-pence for the reward. Mr. Hanna undertook it first, and had to bear the first burst of the storm which arose. Just what was the psychological stress which caused him to resign, it is impossible to say; perhaps it was that canard which went from one end of Canada to the other, to the effect that he had eaten a Lucullian repast at a price of twelve dollars, in a dining car. This, at a time when dining on the European plan, as they were then doing it in Europe, consisted largely in that gastronomic crown of sorrows, which the poet says is "remembering happier days," was enough to enrage any patron of a public eating house, whom the imposition of meat restrictions had cheated out of his God-given right of getting hardening of the arteries. It might be said in extenuation, however, that there is not the slightest evidence that Mr. Hanna ever did it. Mr. Hanna served his country well and went his way.

He was followed by H. B. Thomson. Thomson is from County Down, Ireland.

A Man to Fight With by Telephone

He left there twenty-five years ago, but when he says "County Down," there is a lingering affection in the utterance, which makes you wonder if he would not like to be there at present. He would be a whale of a man in a "ruction." Once or twice, excitable individuals have stopped writing letters or talking over the telephone when they wanted to enjoy the national sport of abusing the Food Board, and have come along in person to take a round or two out of it. The sight of Thomson sort of discourages the idea; you would not know just where to begin on him. He is about six feet five inches tall, and built as if hewn out of the solid rock; but besides that, he is entirely unexcitable, and so fair in his way of putting a situation that it would be hard for even one of the Western dairymen, who were among the Board's bitterest critics, to let the milk of human kindness in him stay curdled after talking matters over.

It was, naturally, not anticipated that food control would be a popular measure, but it was expected that it should be fairly conducted. Perhaps the best proof of its success in this respect is to be found in the fact that some of those commercial interests which formerly came to the Controller to curse, are said to be now returning to pray that, as Trade Commissioner, he shall look after their interests abroad.—T. M. F.

"Wanted—A National Plan"

An article of unusual importance, by Sir George Bury, formerly vice-president of the C.P.R., appears in the February issue of MACLEAN'S. He points out that Canada must more definitely shape her destiny if that destiny is to be as glorious as all Canadians hope. It is a stirring demand for Canadians to get together in the formation of a national plan, accompanied by many practical suggestions from his experience in transcontinental railroad building. An article of national importance.

"Germany From Within To-day"

The funniest thing that he has perhaps written appears in February MACLEAN'S from the pen of Canada's great humorist, Stephen Leacock—an imaginary visit to Berlin under the Bolsheviks. He finds Von Tirpitz planning a new navy, an *inland fleet;* Frau Krupp, an apple woman; Von Bethmann-Hollweg, a cab driver; Bernstorff, a Bolshevik and president of the Scavengers Union. He finds a *Get From Under* committee planning a trade war on the world and half the population of Berlin in English clothing or Scotch kilts. He finds—

But read the article. There's a long laugh in every line. It is farce, however, built up on pretty shrewd truths.

You will find this a remarkably interesting number. The bold, fighting face of Admiral Beatty is on the cover and inside are the following big features:

The Campaign Against Britain, by Agnes C. Laut.
The Farmer in Politics, by J. K. Munro.
The Strange Adventure of the Thumb Tap Clue, by Arthur Stringer.
Old Times in Canada, by Walt Mason.
Lend Me Your Title, by Onoto Watanna.
The Three Sapphires, by W. A. Fraser.
Wild Miners I Have Met, by E. Ward Smith.
The Anglicization of Katrina, by Mary Josephine Benson.
Saturday's Child, by Mary E. Lowrey.
The Minx Goes to the Front, by C. N. and A. M. Williamson.
The Veins of the War God, by Corporal Herbert Forder.

The Best Articles From All Magazines

In the Review of Reviews department will be found reprints of the best articles selected from magazines published all the world over. Here are some of the titles:

Germany Can Fight Again.
Victory Was Three Days Off.
How Botha Saved South Africa.
Russians Awaiting the Messiah.
The New Crisis in the Balkans.
Portugal's Internal Troubles.
Bavaria Started the Revolution.
Spotting Submarines From the Air.
What is Going On in Mexico?
Racial Disturbances in South Africa.
The Story of the First "Q" Boat.
Switzerland, the Spies' Refuge.

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